



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

56<sup>th</sup>  
Annual Report  
2018-2019

**BOARD OF DIRECTORS**

<b>Directors</b>	<b>Mr. R. Karthik, Independent Director</b> <b>Mr. J. Sridharan, Independent Director</b> <b>Mr. K. Rajasekar, Whole Time Director</b> <b>Mrs. Suguna Raghavan, Independent Director</b>
<b>Chief Financial Officer and Company Secretary</b>	<b>Mr. B. Swaminathan</b>
<b>Statutory Auditors</b>	M/s. S B S B AND ASSOCIATES Chartered Accountants Old No.H43/1, New No.H 13, 5 <sup>th</sup> Street, Anna Nagar East, Chennai - 600 102.
<b>Secretarial Auditors</b>	M/s. Lakshmmi Subramanian & Associates Practising Company Secretaries Murugesu Naicker Office Complex, 81, Greams Road, Chennai-600 006.
<b>Registered Office</b>	108 Mount Poonamallee Road, Porur, Chennai-6000 116. Phone : 044-24354754 Website: <a href="http://www.wsindustries.in/KYC">www.wsindustries.in/KYC</a> .
<b>Registrars and Share Transfer Agent</b>	M/s. Integrated Registry Management Services Private Limited 2 <sup>nd</sup> Floor, Kences Towers, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai-600 017. Phone No: 044-28140801

---

<b>Content</b>	<b>Page Nos.</b>
Notice	2 - 8
Boards' Report & Its Annexures	9 - 51
Auditors' Report	52 - 59
Balance Sheet	60
Statement of Profit and Loss	61
Cash Flow Statement	63 - 64
Notes	65 - 89
Consolidated Accounts	90 - 116

# W.S. INDUSTRIES (INDIA) LIMITED

---

## W.S.INDUSTRIES (INDIA) LIMITED

CIN:L29142TN1961PLC004568

Registered Office: 108 Mount Poonamallee Road, Porur, Chennai- 600 116.

### NOTICE

NOTICE is hereby given that the 56<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on Saturday, the 14<sup>th</sup> September 2019, at 11.00 A.M. at Mini Hall, Bharatiya Vidya Bhavan, 18, 20 & 22, East Mada Street, Mylapore, Chennai - 600 004, to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2019 and Statement of Profit and Loss for the year ended on that date together with the Board's Report and Auditor's Report.

#### SPECIAL BUSINESS

2. **APPROVAL FOR INCORPORATION OF ONE OR MORE SUBSIDIARY(IES) (AS WHOLLY OWNED SUBSIDIARIES) OF THE COMPANY AND INVESTMENTS BY THE COMPANY.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (*including any statutory modification or re-enactment thereof*) read with the Companies (Management and Administration) Rules, 2014 and other applicable rules thereunder (collectively, the **“Act”**), and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the Listing Agreement entered into by the Company with BSE Limited and the National Stock Exchange of India Limited and subject to requisite statutory/regulatory approvals, if any, as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **‘Board’** which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution to (i) acquire by way of subscription, purchase or otherwise the securities of any body corporate (whether existing or to be formed) (including any subsidiary company(ies)), joint venture(s) etc. in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided, along with the investments proposed to be made by the Board may exceed 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to negotiate the terms and conditions of the above said acquisition(s), as it deems fit and in the best interest of the Company and take all such steps as may be necessary to complete the same; and



**RESOLVED FURTHER THAT** any director of the company and Mr. B. Swaminathan, Chief Financial Officer and Company Secretary of the company, be and are hereby severally authorised to take all such acts, sign all such documents and comply with all formalities and procedures required to be complied with in this regard, including filing of the necessary e-forms with the Registrar of Companies.”

BY ORDER OF THE BOARD  
For W.S. INDUSTRIES (INDIA) LIMITED

R. KARTHIK  
DIRECTOR

Place: Chennai  
Date: 5<sup>th</sup> August 2019

**NOTES:**

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy, or, where that is allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member. Proxies, to be effective, must be received by the Company not less than 48 hours before the meeting.
2. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
5. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/demat account number/DP ID –Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
6. 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.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 8<sup>th</sup> September 2019 to 14<sup>th</sup> September 2019 (both days inclusive).
8. Pursuant to Section 101 and Section 136 of the Companies Act 2013 read with relevant Companies (Management and Administration Rules), 2014 companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository, To support the 'Green Initiative' Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e- mail address to M/s. Integrated Registry Management Services Private Limited, 2<sup>nd</sup> Floor, 'Kences Towers', No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai – 600 017.

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

---

9. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
10. All documents referred to in the accompanying Notice shall be open for inspection at the registered office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.
11. Pursuant to Section 108 of the Companies Act, 2013 read with related Rules and Regulation 44, SEBI (Listing obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such remote e-voting facility is in addition to voting that may take place at the meeting venue on 14<sup>th</sup> September, 2019. The Company has appointed Ms. Lakshmmi Subramanian, Partner M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

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

#### **Item No. 2**

The members may be aware that Company during the last several years, has been exploring all avenues to find a comprehensive solution for the Vizag unit to achieve the end objective of reviving the unit despite many odds and challenges. In this connection, the Company has already obtained the permission of the shareholders vide resolution passed by postal ballot notice dated 26<sup>th</sup> April 2019 to deal with the Vizag unit.

The Company has been advised that one of the efficient ways to achieve a suitable revival structure would be to transfer the Vizag unit to a subsidiary company after obtaining the necessary statutory and other approvals as may be required. For this purpose, it is required to establish a subsidiary company which can receive the Vizag unit. The Members are informed that the Company proposes to establish one or more subsidiaries, through subscription/acquisition.

The Members are informed that in terms of the provisions of Section 186(2) of the Companies Act, 2013, no Company shall directly or indirectly, acquire by way of subscription, purchase or otherwise, the securities of any other body corporate in excess of 60% of the total of the paid-up share capital, free reserves and securities premium account or 100% of the free reserves and securities premium account, whichever is higher, without the prior approval of the Members by means of a Special Resolution.

None of the Directors, or Key Managerial Personnel or their relatives are, in any way, concerned or interested in the resolution.

The Board recommends above resolution to be passed as a Special resolution.

BY ORDER OF THE BOARD  
For W.S. INDUSTRIES (INDIA) LIMITED

Place: Chennai  
Date: 5<sup>th</sup> August 2019

R. KARTHIK  
DIRECTOR



## E-Voting procedures

### Voting through electronic means:

- I. In compliance with provisions of Sections 108 and other applicable provisions of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014 and Regulation 44, SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 56<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through eVoting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 11<sup>th</sup> September 2019 (9:00 am) and ends on 13<sup>th</sup> September 2019 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 7<sup>th</sup> September 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

## W.S. INDUSTRIES (INDIA) LIMITED

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.



8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to lakshmmi6@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 7<sup>th</sup> September 2019.
6. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 7<sup>th</sup> September 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or corpserv@integratedindia.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

7. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the 56<sup>th</sup> AGM



## W.S. INDUSTRIES (INDIA) LIMITED

8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
9. Ms.Lakshmmi Subramanian, Partner M/s.Lakshmmi Subramanian & Associates, Practising Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
10. The Chairman shall, at the 56<sup>th</sup> AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the 56<sup>th</sup> AGM but have not cast their votes by availing the remote e-voting facility.
11. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the 56<sup>th</sup> AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Director or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
12. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company on 16<sup>th</sup> September 2019 and on the website of NSDL immediately after the declaration of result by the Director or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the shares of the Company are listed.

### Route map of the AGM venue

**Venue:** Bharatiya Vidya Bhavan, 18,20 & 22, East Mada Street, Mylapore, Chennai- 600 004.





## BOARD'S REPORT 2018-19

### The Members

Your Directors hereby present the Fifty Sixth Annual Report and the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2019. The salient highlights (in the Ind AS format) are provided in the table below:

(Rs. in Million)

	For the period ended	
	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2018
Sales and other operational income	3.26	22.54
Other Income	93.42	11.67
Total Income	96.68	34.21
Gross Profit / (Loss) from continuing Operations	83.79	27.26
Less : Depreciation	92.25	91.67
Interest /Finance Charges	48.66	(0.50)
Net Profit / (Loss) for the year from continuing operations	(57.12)	(63.91)
Provision /(withdrawal) for Income Tax / Deferred Tax	-	-
Net Profit /(Loss) for the year after Tax from continuing operations	(57.12)	(63.91)
Net Profit/(Loss) for the year after Tax from discontinued operations	(2184.34)	383.77
Net Profit/(Loss) for the year after Tax	(2241.46)	319.86
Profit / (Loss) brought forward from the previous year	(2105.68)	(2425.54)
Other Comprehensive Income/(Loss) arising from discontinued operations	-	-
Surplus/(Deficit)/ carried to Balance Sheet	(4347.14)	(2105.68)

### 1. Results of our operations

During the year under review, production remained suspended in the Chennai (till 29.11.2018) and Vizag plants. The Insulator business unit generated miscellaneous sale of Rs. 3.26 million. However, there was no sales effected in the Turnkey Projects division due to lack of working capital facilities.

During the year under review, the Board had decided that the factory situated at 108, Mount Poonamallee Road, Porur, Chennai-600116 be closed with effect from close of business hours of 29<sup>th</sup> November 2018 consequent to the continuing suspension of production and settlement of the workforce.

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

---

The major elements under the provision for loss arising from discontinued operations are:

1. The resolution of dispute with Mantri entities and perfecting the title of land on 10.08 acres at Porur, Chennai and compensation thereon resulted in a charge of Rs. 1718.62 millions.
2. Interest cost arising from the settlements made under various agreements with Edelweiss entities, State Bank of India and Mantri entities resulted in a charge of Rs. 138.89 millions.
3. Profit arising from waiver of principal on outstanding of Edelweiss entities and SBI – Rs 309.67 millions and Loss on transfer of Series A Debentures – Rs. 559.91 millions.

### **2. Dividend**

No dividend has been proposed on the Equity shares.

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

### **3. Reserves**

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

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

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

### **5. Transfer of unpaid Dividend to Investor Education and Protection Fund**

In terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017, there is no obligation to transfer the unpaid/ unclaimed shares to the Investor Education and Protection Fund.

### **6. Fixed Deposits**

Your Company has not accepted any deposits from public in terms of provisions of Companies Act, 2013.

### **7. Corporate Governance**

A separate report on Corporate Governance along with a Certificate of Compliance forms part of this report vide Annexure – 1.

### **8. Subsidiaries**

During the period under review, your Board of Directors have reviewed the Financial Statements of W.S. T&D Limited (wholly owned subsidiary upto 27<sup>th</sup> March 2019) and Vidagara Tech Park Private Limited (100% wholly owned subsidiary with effect from 12<sup>th</sup> March 2019).

Your Company has, in accordance with Section 129 (3) of the Companies Act 2013 prepared the Consolidated Financial Statements for the Financial Year ended 31<sup>st</sup> March 2019, which forms part of the Annual Report. Further the statement containing the salient features of the Financials of the subsidiaries in the Form AOC 1 is attached as Annexure 2 to this Report.

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



## **9. Related Party Transactions.**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions during the year, which in the opinion of the Board may have potential conflicts with the larger interests of the Company. The details of transactions with related parties have been disclosed in form AOC-2 as Annexure 3 and form part of this Annual Report.

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

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

Since production activity was suspended in both the plants, we are unable to report on the particulars prescribed under Section 134 of the Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to conservation of energy and technology absorption.

Foreign Exchange Earnings:

Foreign Exchange Inward – NIL

Foreign Exchange Outward – NIL

## **11. Extract of Annual Return**

As provided under section 92 (3) of the Companies Act 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company is annexed herewith as Annexure 4 in the prescribed Form MGT 9 which forms part of this Report.

## **12. Material changes and commitment affecting financial position between the Financial Year ended 31<sup>st</sup> March 2019 and the date of this Report**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

Material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report are as follows:

The conversion of Series B Debentures allotted by the Company's subsidiary M/s.W.S. T&D Limited to M/s. Abhishaya Infrastructure Private Limited into equity shares on 10<sup>th</sup> June 2019 resulted in the cessation of control of the company in M/s. W.S. T&D Limited. This will have an impact in FY 2019-2020 on the treatment in the books of the Company under Ind AS110 in Consolidated Financial Statements.

## **13. Risk Management Policy**

The Board had established Risk Management policy which formalizes the Company's approach to overview and manage material business risks.

## **14. Corporate Social Responsibility**

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

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

---

### **15. Internal Financial Controls**

Your Company has internal financial controls commensurate with its position at the current juncture with respect to financial reporting.

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

Mrs. Suguna Raghavan has been appointed as an Additional Director by the Board through Circular resolution dated 30<sup>th</sup> January 2019 who shall hold office upto the date of ensuing Annual General Meeting of the Company. She has now been appointed by the shareholders through postal ballot (and the results have been declared on 8<sup>th</sup> June 2019) as an Independent Director who shall hold office for the first term of three years, with effect from 14.02.2019 till 13.02.2022 and whose office shall not be liable to retire by rotation.

Mr.B.Swaminathan, who is Chief Financial officer and Compliance Officer of the Company has also been appointed as Company Secretary of the company with effect from 14<sup>th</sup> February 2019.

Mr.K.Rajasekar, Non-Independent Non-executive Director of the company, has been designated by the shareholders of the company through postal ballot (and the results have been declared on 8<sup>th</sup> June 2019) as Whole Time Director who shall hold office for a period of 3 years with effect from 25.03.2019 on rotational basis.

No employee draws remuneration in excess of the limits prescribed under Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014. Remuneration drawn by KMP have been disclosed in Annexure-4 to Board's report. Therefore details pertaining to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 have not been provided.

### **17. Declaration by Independent Directors:**

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down in and Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **18. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Boards' performance and performance of the Non-independent Director were considered/evaluated by the independent directors at their meeting without the participation of the non-independent director and key managerial personnel. The Board has carried out an annual appropriate evaluation of its own performance, the directors individually, and the working of its various committees.

### **19. Meetings of the Board**

The details of the number of meetings of the Board held during the Financial Year 2018-19 along with attendance details of each director, forms part of the Corporate Governance Report of this Annual Report.

### **20. Committees**

The details regarding Committees of Board of Directors of the Company are given in the Corporate Governance Report of this Annual Report.



## 21. Auditors

### Statutory Auditors

M/s. S B S B and Associates, Chartered Accountants, Chennai, (Firm Registration No.012192S) were appointed as Statutory Auditors of the Company for a period of five years from the Conclusion of 54<sup>th</sup> Annual General Meeting till the conclusion of 59<sup>th</sup> Annual General Meeting.

With reference to the Auditor's Report issued by SBSB & Associates, Chartered Accountants, the explanation/comments against their qualified opinion is annexed herewith as "Annexure – 5"

### Secretarial Auditor

Pursuant to the requirements of Section 204 (1) of the companies Act 2013 read with rules made thereunder, Ms.Lakshmmi Subramanian (Membership No. 3534 CP No. 1087), Partner, M/s.Lakshmmi Subramanian & Associates, was appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2018-19. The Report of the Secretarial Auditor is enclosed as Annexure 6 to this Report.

With reference to the Secretarial Auditor's Report issued by M/s.Lakshmmi Subramanian & Associates, Company Secretaries, the explanation/comments against their observations is annexed herewith as "Annexure – 6A"

## 22. General

Consequent to the approvals and regulatory clearances from shareholders (by means of special resolutions passed through postal ballot) and other statutory authorities, 16.40 acres of land at Chennai has been transferred on 22<sup>nd</sup> March 2019 to its subsidiary M/s. W.S. T&D Limited for a total consideration of Rs. 3160.00 millions comprising of take over of loan of Rs.3124.67 millions, withhold of TDS Rs.31.60 millions and balance payment received.

The Shareholders has passed a resolution through Postal Ballot Notice dated 17<sup>th</sup> September, 2018 for increase in Authorised Share Capital from the present Rs.50,00,00,000 (Rupees fifty crore) divided into 3,50,00,000 (three crores fifty lakhs) equity shares of the face value of Rs.10/- (Rupees ten) each and 15,00,000 (fifteen lakhs) cumulative redeemable preference shares of the face value of Rs.100/- (Rupees one hundred) each toRs.65,00,00,000 (Rupees sixty five crores) divided into 5,00,00,000 (five crore) equity shares of the face value of Rs.10/- (Rupees ten) each and 15,00,000 (fifteen lakhs) cumulative redeemable preference shares of the face value of Rs.100/- (Rupees one hundred) each. However, the Board subsequently was advised that such increase of authorized share capital of the Company would not be immediately required and therefore decided that the resolution be rescinded and this was consequently approved by the shareholders of the company through postal ballot notice dated 26<sup>th</sup> April 2019.

The Company has made a payment of Rs.0.10 millions towards the acquisition of 10,000 equity shares having face value of Rs.10 each fully paid of M/s. Vidagara Tech Park Private Limited which has become 100% wholly owned subsidiary of the Company. The same has been approved by the shareholders by means of special resolution through postal ballot Notice dated 17<sup>th</sup> September, 2018.

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

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

---

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

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

### **24. Management Discussion and Analysis Report.**

- As highlighted in the previous year, the Company faced multiple challenges caused by steep rise in the price of raw material coupled with reduction in sales volume arising from higher imports, greater competition in the industry, dumping by foreign competitors and economic slowdown, all of which resulted in increased losses culminating in a liquidity crunch. Due to mounting losses, lack of working capital and other support, company had no option but to suspend manufacturing operations at Vizag plant and close manufacturing operation at Chennai plant.
- The status regarding trespass in part of the premises of the factory at Chennai remains unchanged; continuing complaints to the appropriate authorities are being filed and the situation carefully monitored. The Company is pursuing all legal remedies.
- As disclosed on 14<sup>th</sup> August 2018 in Q1 results, the Company has executed various agreements with Edelweiss Asset Reconstruction Company Limited, Allium Finance Ltd and Debenture holders of the Company for the settlement of dues (with an initial payment of Rs. 2000 millions) over a specified period of time along with an specified amount to continue as “Restructured Debt” secured by plant and machinery and all other assets and properties of the Vizag Unit on a paripassu basis and for the withdrawal of all disputes and proceedings before various forums between the Company and the above parties. As part of the initial payment, the company has partly redeemed Non Convertible Debentures on face value basis to the extent of Rs.220 millions along with agreed interest thereon. However, these agreements could not be fulfilled in full due to the continuing litigation arising from the trespass. The Company is in discussions with Allium Finance Private Limited, IDBI Trusteeship Services Limited, and Edelweiss Asset Reconstruction Company Limited to find a resolution to the outstanding loan liabilities with them and arising from the non-completion of the settlement agreements signed with them on 12<sup>th</sup> April 2018 and to arrive at a suitable resolution plan for the Company.
- The Company has completed the resolution of dispute with Comfortable Abode Private Limited (formerly Mantri Premier Homes Private Limited) and Mantri Developers Private Limited which included cancellation of all the agreements entered into with them and for the withdrawal of all disputes and proceedings before various forums between the Company and the aforesaid entities.
- The Company has entered into a one-time settlement with State Bank of India for settling the outstanding amount of Rs. 167.05 millions at a reduced amount of Rs.125.29 millions.
- The Company has availed financing facility of Rs.3124.67 millions (“Loans”) to finance the various settlement amounts as indicated above and secured by mortgage on 16.4 acres of its land. During the year this loan and the liability arising thereon, has been assigned to its subsidiary M/s. W.S. T&D Limited as a part of sale consideration of 16.40 acres of land at Chennai.
- The 925000 Non-convertible, Redeemable and cumulative Preference Shares of Rs.100/- each fully paid up with coupon rate of 5% / 7.5% subscribed by Vensunar Holdings (P) Ltd. and due for redemption on 30<sup>th</sup> Sept. 2018 has been extended by the above shareholder for a further period of 12 months, i.e., upto 30<sup>th</sup> Sept. 2019.



- 350000 Non-convertible, Redeemable and cumulative Preference Shares Rs. 100/- each fully paid up with a coupon rate of 10% subscribed by Vensunar (P) Ltd. which are due for redemption on 28<sup>th</sup> Feb. 2019 has been extended by the above shareholder for a further period of 18 months, i.e., upto 31<sup>st</sup> Aug. 2020.
- The Share Capital of the company has increased to Rs.262.61 millions, consequent to allotment of 5120818 Equity Shares on preferential basis to the respective trusts of Edelweiss Asset Reconstruction Company Limited.
- The Company has implemented settlements with the workers / executives both at Chennai and Vizag plants.
- During the year the existing loan/ receivable of Rs.560.41 millions due from the subsidiary viz., W.S.T & D Limited has been converted into Compulsorily Convertible Debentures, which has subsequently been disposed.
- During the year the subsidiary, M/s.W.S. T&D Limited, has allotted 48,135 equity shares of Rs.10/- each constituting 49% of its equity share capital to M/s.Abhishaya Infrastructure Private Limited.
- M/s.Vidagara Tech Park Private Limited which became a wholly owned subsidiary of M/s. W.S.Industries (India) Limited with effect from 12.03.2019, was incorporated 29<sup>th</sup> October 2018. The main business of the Company is to establish infrastructure for use by IT / IT enabled services, to develop integrated IT solutions, to establish infrastructure solutions for industrial / other applications.
- Since it is the first year of operations after incorporation on 29<sup>th</sup> October 2018, there were no activities and consequently no income during the year.
- Your Company has an adequate Risk Management Policy which would help in identifying and mitigating enterprise risks. The ongoing litigation and the non-availability of capital to revive the operations continue to remain the primary concerns for your Company.
- Your Company has adequate internal control systems as necessary with the requirements of the Companies Act 2013.

## 25. Director's Responsibility Statement

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

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017.
- b. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March 2019 and of the profit or loss of the Company for the period under review.
- c. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.



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

---

- d. The directors have prepared the annual accounts on a going concern basis.
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, taking into consideration the current circumstances and
- f. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively taking into consideration the current circumstances.

### **26. Listing of Shares:**

The equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The listing fee for the Financial Year 2019- 20 has already been paid to the credit of both the Stock Exchanges.

### **27. Acknowledgement**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institution, Government authorities, other stakeholders and members during the year under review. Your Directors also wish to place on record their acknowledgement and gratitude for the commitment shown by the Company's personnel who have been functioning under very trying circumstances.

For and on behalf of the Board

Chennai  
5<sup>th</sup> August 2019

R. Karthik  
Director

J. Sridharan  
Director



## ANNEXURE – 1 TO BOARD’S REPORT

### REPORT ON CORPORATE GOVERNANCE

#### 1. Company’s Philosophy on Corporate Governance

Despite the trying times and practical difficulties being experienced by your Company, it has put in all efforts to adhere to the corporate governance norms under SEBI (LODR) Regulations. Best efforts have been taken to maintain transparency and clarity at all levels. The Company has adopted the Insider Trading code, thereby ensuring uniformity in sharing of information with parity amongst shareholders.

#### 2. Board of Directors

Due to the strained financial situation, the Company had faced challenges in the composition, diversity and size of the Board of Directors and to fill the vacancies which had arisen. This has impacted the composition of the Board and the committees thereof. The Company could identify a woman director in Jan 2019 and she has been appointed on 30<sup>th</sup> Jan 2019. The company also designated the existing Non-Executive Director as Whole Time Director (KMP) w.e.f 25<sup>th</sup> March, 2019.

The details of the composition and category of Board of Directors for the Financial Year 2018-19 and their attendance at Board Meetings and last AGM and details of memberships in other Boards and Board Committees, are as under.

Name of Director	Category*	No. of Board Meetings Attended	Attendance at the Last AGM held on 28/09/2018	Membership in other Boards	Committees Membership (Inclusive of WSI)	No. of shares held
Mr.R.Karthik	IN-NE	15	Yes	2	3	-
Mr.J.Sridharan	IN-NE	15	Yes	3	3	-
Mr.K. Rajasekar @	WTD	15	Yes	0	2^	-
Mrs.Suguna Raghavan #	IN-NE	4	No	3	5^^	-

\*Category Key: NI – Non Independent, IN – Independent, NE – Non-Executive, Ex-Executive  
@ Mr.K.Rajasekar, was designated as Whole Time Director by the shareholders through postal ballot notice dated 26<sup>th</sup> April 2019.

^Mr.K.Rajasekar was member in Nomination and Remuneration Committee upto 14<sup>th</sup> February 2019.

# Mrs.Suguna Raghavan was appointed as an Additional Director by the Board through Circular resolution dated 30<sup>th</sup> January 2019 and subsequently appointed as an Independent Director by the shareholders through postal ballot notice dated 26<sup>th</sup> April 2019.

^^Mrs. Suguna Raghavan is member in Nomination and Remuneration Committee with effect from 14<sup>th</sup> February 2019.

None of the Directors are related to each other.

The Company held 15 Board Meetings during the Financial Year 2018-19 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held are 10<sup>th</sup> April 2018, 12<sup>th</sup> April 2018, 15<sup>th</sup> April 2018, 30<sup>th</sup> May 2018, 14<sup>th</sup> August 2018,

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

---

17<sup>th</sup> September 2018, 4<sup>th</sup> October 2018, 24<sup>th</sup> October 2018, 14<sup>th</sup> November 2018, 29<sup>th</sup> November 2018, 26<sup>th</sup> December 2018, 14<sup>th</sup> February 2019, 21<sup>st</sup> March 2019, 25<sup>th</sup> March 2019 and 27<sup>th</sup> March 2019. Circular resolution was passed on 28<sup>th</sup> September 2018, and 30<sup>th</sup> January 2019.

In addition, one meeting of Independent Directors was held on 18<sup>th</sup> March 2019.

### **Board Procedure**

All the Board Meetings held were prescheduled taking into account the convenience of all the Directors. The Agenda of the Board Meeting covers all important and critical information pertaining to the Company.

The information as required under Part A of Schedule II pursuant to Regulation 17 of SEBI Listing Regulations is made available to the Board. The Board also reviews the declarations made by the Director and the Chief Financial Officer regarding compliance with all applicable laws, on a quarterly basis. The Company has given awareness training to Independent Directors so as to enable them gain deeper understanding of the Company. The Directors are updated on a continual basis on any significant changes. The Company's website [www.wsindustries.in/KYC](http://www.wsindustries.in/KYC) has the details of all the policies of the Company including the familiarization of independent directors.

### **3. Audit Committee**

The terms of reference of the Audit Committee, including review of the financial statements of the Company, recommendation to the Board of the appointment of Statutory Auditors and review of their Reports, review of the adequacy of the internal control systems, evaluation of the risk management systems, review of the whistle blower mechanism and generally items listed under Part C to Regulation 18 of SEBI Listing Regulations and in Section 177 of the Act are done by the Audit Committee.

Five meetings of the Audit Committee took place during the year under review. The details of the meeting and its attendance is as under

<b>Name of the Director</b>	<b>Category</b>	<b>No. of meetings attended</b>
Mr.R.Karthik	Independent - Non-executive	5
Mr.J.Sridharan	Independent - Non-executive	5
Mr.K.Rajasekar	Whole Time Director*	5

\*Mr.K.Rajasekar, was designated as Whole Time Director by the shareholders through postal ballot notice dated 26<sup>th</sup> April 2019.

The meetings of the Audit Committee were held on 30<sup>th</sup> May 2018, 14<sup>th</sup> August 2018, 14<sup>th</sup> November 2018, 26<sup>th</sup> December 2018 and 14<sup>th</sup> February 2019. The Meetings are attended by the Chief Financial Officer of the Company. The Compliance officer was appointed as Company Secretary of the company with effect from 14<sup>th</sup> February 2019 and acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee Mr. R. Karthik was present at the Annual General Meeting of the Company held on 28<sup>th</sup> September 2018.

### **4. Nomination and Remuneration Committee**

The Nomination and Remuneration committee during the year held on 28<sup>th</sup> September 2018, 14<sup>th</sup> February 2019 and 25<sup>th</sup> March 2019. Circular Resolution was passed on 28<sup>th</sup> January 2019.



Nomination and Remuneration Committee comprising of Directors, Mr. R. Karthik, Mr. J. Sridharan, Mr. K. Rajasekar<sup>^</sup> and Mrs. Suguna Raghavan<sup>^^</sup>.

<sup>^</sup>Mr. K. Rajasekar was member in Nomination and Remuneration Committee upto 14<sup>th</sup> February 2019.

<sup>^^</sup>Mrs. Suguna Raghavan is member in Nomination and Remuneration Committee with effect from 14<sup>th</sup> February 2019.

The Chairman of the Nomination and Remuneration Committee Mr. R. Karthik was present at the Annual General Meeting of the Company held on 28<sup>th</sup> September 2018.

## **5. Remuneration of Non-executive and Executive directors**

The Company does not pay any remuneration including sitting fees to any of the Directors of the Company.

## **6. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee terms of reference is in compliance with Regulation 20 of the SEBI (LODR) Regulations 2015. During the Financial Year the Committee met 4 times.

The Committee also oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of service.

During the year there was no complaint received from any Shareholder of the Company. However there were general queries for information and services from the shareholders which were attended to promptly.

The meetings of the Stakeholders Relationship Committee were held on 30<sup>th</sup> May 2018, 14<sup>th</sup> August 2018, 14<sup>th</sup> November 2018 and 14<sup>th</sup> February 2019.

## **7. Subsidiary Companies**

During the period under review, your Board of Directors have reviewed the Financial Statements of W.S. T&D Limited (100% wholly owned subsidiary upto 27<sup>th</sup> March 2019 and 51% subsidiary thereafter upto 9<sup>th</sup> June 2019 and holding 0.13% thereafter) and Vidagara Tech Park Private Limited (100% wholly owned subsidiary with effect from 12<sup>th</sup> March 2019).

The financial data of the subsidiaries was reviewed by the Audit Committee and also placed before the Board. The minutes of subsidiary companies are placed before the parent Company's Board.

The Company has placed the policy for determination of "material subsidiary" on its website.

## **8. Code of Conduct**

The Company has in place a comprehensive Code of Conduct (the Code) applicable to the members of the Board of Directors and Senior Management Personnel of the Company. A copy of the Code is available on the Company's website [www.wsindustries.in/KYC](http://www.wsindustries.in/KYC).

The declaration signed by the Company's Director regarding compliance by the Board Members and Senior Management Personnel, with the said code of conduct is published in this Report.

The Company has in place a code of conduct for the prohibition of insider trading in terms of the SEBI (Prohibition of Insider Trading) Regulations and is available for viewing on the Company's website.

## W.S. INDUSTRIES (INDIA) LIMITED

### 9. General Body Meetings

#### a. Location and time, where last three annual general meetings held

For the Financial Year ended	Date & Time	Location
31.03.2016	28.12.2016 4.00 PM	Asha Nivas Social Service Centre, 5, Rutland Gate, 5 <sup>th</sup> Street, Chennai - 600 006
31.03.2017	14.11.2017 4.35 PM	Asha Nivas Social Service Centre, 5, Rutland Gate, 5 <sup>th</sup> Street, Chennai - 600 006
31.03.2018	28.09.2018 4.35 PM	Mini Hall, Bharatiya Vidya Bhavan, 18,20 & 22, East Mada Street, Mylapore, Chennai-600004.

#### b. Whether any special resolutions passed in the previous three annual general meetings

Details of the resolutions passed are given below.

Sl. No.	Date of General Meeting	Special Resolutions passed
1	28.12.2016	NIL
2	14.11.2017	NIL
3	28.09.2018	NIL

#### c. Whether any special resolution passed last year through postal ballot

Special Resolutions pursuant to the Companies Act, 2013 was passed through postal ballot as detailed below.

Sl. No.	Postal Ballot Notice dated	Postal Ballot Results dated	Special Resolutions passed
1	12.04.2018	30.05.2018	(i) Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013. (ii) Increase in creation of charge / mortgage etc.on Company's movable or immovable properties in terms of Section 180 (1) (a) of the Companies Act, 2013. (iii) To convert debt into Equity Shares and issue of Equity shares to EARC SAF - 1 TRUST, EARC TRUST – SC 168 and EARC TRUST – SC 209 in terms of the request made by M/s.Edelweiss Asset Reconstruction Company Limited acting in its capacity as a trustee for conversion of part of the outstanding interest into equity.



Sl. No.	Postal Ballot Notice dated	Postal Ballot Results dated	Special Resolutions passed
2	17.09.2018	29.10.2018	(i) Sale / Transfer Of The Immovable Property (Along With Superstructures, If Any) Of The Company Or Part(S) Thereof Admeasuring An Extent Of 16.40 Acres Of Land.  (ii) Sale / Transfer Of Immovable Property (Along With Superstructures, If Any) Of The Company Or Part(S) Thereof Admeasuring An Extent Of 13.71 Acres Of Land.  (iii) Approval for Incorporation of one or more subsidiary (ies) (as wholly owned subsidiaries) of the company and Investments by the Company.

## 10. Means of Communication

i.	Quarterly and Annual Financial Results	Uploaded in NSE Electronic Application Processing System (NEAPS) and BSE website in accordance with the SEBI Listing Requirements and also in leading English and Tamil newspapers
ii.	Newspapers wherein results normally published	<b>Business Standard and Maalai Sudar (Tamil)</b>
iii.	Any website, where displayed	<b>www.wsindustries.in/KYC and in the websites of the National Stock Exchange and Bombay Stock Exchange.</b>
iv.	Whether it also displays official news releases	<b>There were no official news releases other than the publication of results/intimations.</b>
v.	Presentations made to institutional investors or to the analysts	<b>No presentations were made during this period to institutional investors.</b>

## 11. General Shareholder Information

a.	AGM - Date, Time & Venue	Saturday, 14 <sup>th</sup> September 2019 at 11.00 A.M. at Mini Hall, Bharatiya Vidya Bhavan, 18,20 & 22, East Mada Street, Mylapore, Chennai – 600 004.
b.	Financial Year	1 <sup>st</sup> April 2018 - 31 <sup>st</sup> March 2019
c.	Book Closure Date	8 <sup>th</sup> September 2019 to 14 <sup>th</sup> September 2019 (Both days inclusive)

## W.S. INDUSTRIES (INDIA) LIMITED

d.	Equity shares Listed on Stock Exchanges	Bombay Stock Exchange Ltd. National Stock Exchange of India Ltd.
	SCRIP NAME & CODE ISIN No. (NSDL & CDSL)	WSI & 504220 INE 100D01014
e.	Privately placed secured Redeemable Non-Convertible Debentures Listed on Stock Exchange	Bombay Stock Exchange Ltd.
	SCRIP CODE ISIN No.	948574 INE100D07011
	Debenture Trustee	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17 <sup>th</sup> R. Kamani Marg, Ballard Estate, Mumbai-400 001.

- f. Market Price - High & Low of the closing prices of Equity Shares of your Company during the Financial year ended 31<sup>st</sup> March 2019 is as under:

Month	Year	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
		High	Low	High	Low
(in Rs.)					
April	2018	8.98	6.10	8.20	5.60
May	2018	7.97	5.71	7.80	5.65
June	2018	7.43	5.45	7.15	5.05
July	2018	6.09	4.77	5.80	5.00
August	2018	5.29	4.52	5.45	4.35
September	2018	4.75	4.18	5.10	3.8
October	2018	4.07	3.48	4.15	3.25
November	2018	4.05	3.46	4.00	3.50
December	2018	3.45	2.50	3.65	3.15
January	2019	3.18	2.46	3.15	3.00
February	2019	2.57	1.69	3.00	2.15
March	2019	1.69	0.79	2.05	1.15



g.	Registrars and Share Transfer Agents:	Integrated Registry Management Services Private Limited, 2 <sup>nd</sup> Floor, Kences Towers, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai - 600 017. Phone No: 044 – 28140801
h.	Share Transfer System	<ul style="list-style-type: none"> <li>• Transfers of shares held in electronic form are done through the depositories by the share transfer agents without the involvement of your Company.</li> <li>• Transfers of shares in the physical form are done once in a fortnight.</li> <li>• The power to approve the transfer, transmission and other Share Certificate related matters has been delegated by the Board to Compliance Officer/ Company Secretary and his actions are ratified at the next Stakeholders' Relationship Committee Meeting.</li> <li>• Certificate under Regulation 40(9) of SEBI LODR 2015 is obtained from a Practicing Company Secretary every six months confirming the transfer, transmission etc. of equity shares within 15 days of their lodgment and sent to Bombay Stock Exchange &amp; National Stock Exchange.</li> <li>• Reconciliation of Share capital Audit as stipulated by SEBI is conducted on quarterly basis reconciling the admitted equity share capital with the shares in electronic and physical form and Certificate issued in this regard by Practicing Company Secretary is forwarded to Bombay Stock Exchange &amp; National Stock Exchange.</li> </ul>

i. Distribution of Shareholding and Shareholding Pattern (as on 31.03.2019).

**DISTRIBUTION OF SHAREHOLDING AND SHAREHOLDING PATTERN AS ON 31/03/2019**

CATEGORY	SHAREHOLDERS		SHARES	
	NUMBER	%	NUMBER	%
UPTO 5000	8619	96.86	3362376	12.80
5001 - 10000	129	1.45	950058	3.62
10001 - 20000	63	0.71	896429	3.41
20001 - 30000	27	0.30	641053	2.44
30001 - 40000	13	0.15	437849	1.67
40001 - 50000	4	0.05	187039	0.71
50001 AND ABOVE	43	0.48	19785803	75.35
	8898	100	26260607	100.00



## W.S. INDUSTRIES (INDIA) LIMITED

### Shareholding pattern as on 31.3.2019

Category	Number	Shares	% of Shares Held
Promoters & Association	15	9898485	37.69
Mutual Fund / FIIs	2	400	0.00
Banks / Financial Institutions	5	71305	0.27
Other Bodies Corporate	117	4052886	15.43
NRI / Foreign Companies	60	261675	1.00
Public	8554	8241601	31.38
Others	145	3734255	14.22
Total	8898	26260607	100.00

### Shareholding pattern as on 30.6.2019

Category	Number	Shares	% of Shares Held
Promoters & Association	15	9898485	37.69
Mutual Fund / FIIs	2	400	0.00
Banks / Financial Institutions	5	71305	0.27
Other Bodies Corporate	119	4021145	15.31
NRI / Foreign Companies	61	246049	0.94
Public	8603	8820852	33.59
Others	137	3202371	12.19
Total	8942	26260607	100.00

j.	Dematerialisation of shares & liquidity	The shares of your Company can be held and traded in electronic form. 97.37% of your Company's Shareholding has been de-materialized as on 31 <sup>st</sup> March 2019.
k.	Outstanding GDRs / ADRs / Warrants or any convertible instruments conversion date and likely impact on equity	Nil
l.	Commodity price risk or foreign exchange risk and hedging activities	Nil
m.	Plant Locations	<p><b>Unit I</b> (upto 29<sup>th</sup> November 2018). 108, Mount Poonamallee Road Porur, Chennai - 600 116 Tamil Nadu.</p> <p><b>Unit II</b> Plot No 31, AP SEZ, Duppituru Village, Atchutapuram Mandal Visakhapatnam, Andhra Pradesh.</p>



n.	Address for correspondence a) Share related matters b) Other matters	Integrated Registry Management Services Private Limited 2 <sup>nd</sup> Floor, Kences Towers, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai - 600 017. Phone No: 044 - 28140801 <a href="mailto:corpserv@integratedindia.in">corpserv@integratedindia.in</a> 108, Mount Poonamallee Road Porur Chennai - 600 116. <a href="mailto:sectl@wsinsulators.com">sectl@wsinsulators.com</a>
----	--	--

## 12. Other Disclosures

- a. During the year there is no unclaimed dividend pending for transfer to the Investor Education and Protection Fund at the expiry of the specified period(s) as required under Section 124 of the Companies Act, 2013.
- b. There were no strictures or penalties imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority for non compliance of any matter related to capital markets, during the last three years;
- c. During the year the company has paid fine under protest for non-compliance of Regulation 17(1) of SEBI LODR, 2015 for the appointment of women director on the board to both stock exchanges for the quarter ended 30<sup>th</sup> September 2018, 31<sup>st</sup> December 2018 and 31<sup>st</sup> March 2019 and the appeal before Securities Appellate Tribunal is pending.
- d. The Company has in place a proper vigil mechanism and the whistle blower policy is available in the Company's website. It is hereby affirmed that no person has been denied access to the audit committee.

## 13. Director and CFO Certification

The Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI LODR 2015. The annual certificate given by the Director and the Chief Financial Officer is published in this Report.

The Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 (2) of SEBI LODR 2015.

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

---

### **Certificate on Compliance with Code of Conduct**

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2018-19.

Place: Chennai  
Date :5<sup>th</sup> August 2019

R.KARTHIK  
DIRECTOR

---

### **CERTIFICATE ON CORPORATE GOVERNANCE UNDER LISTING REGULATIONS**

To,

The Members of W.S. Industries (India) Limited

We have examined the compliance of conditions of Corporate Governance by W.S. Industries (India) Limited ('the Company'), for the year ended 31<sup>st</sup> March 2019, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

#### **Management Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

#### **Auditor's Responsibility**

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, we certify that your Company has complied with the conditions of Corporate Governance, as stipulated in the above-mentioned Listing Agreement, except to the extent of observations enumerated in the Secretarial Compliance Report dated 24<sup>th</sup> May 2019 and to the extent of observations made in the Secretarial Audit Report.

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

For Lakshmmi Subramanian & Associates  
Lakshmmi Subramanian  
Senior Partner  
FCS No. 1087  
CP No. 3534

Place: Chennai  
Date: 3<sup>rd</sup> August, 2019



## ANNEXURE – 2 TO BOARD'S REPORT

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

##### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in millions )

Sl. No.	Particulars	Details	Details
1.	Name of the subsidiary	W.S. T&D LIMITED	Vidagara Tech Park Private Limited
2.	The date since when subsidiary was acquired	9 <sup>th</sup> May 2008	12 <sup>th</sup> March 2019
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not applicable	Not applicable
5.	Share capital	0.98	0.10
6.	Reserves & surplus	(560.97)	(0.06)
7.	Total assets	3508.22	0.06
8.	Total Liabilities	3508.22	0.06
9.	Investments	-	-
10.	Turnover	-	-
11.	Profit before taxation	(0.60)	(0.06)
12.	Provision for taxation	-	-
13.	Profit after taxation	(0.60)	(0.06)
14.	Proposed Dividend	-	-
15.	% of shareholding	51%	100%

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

---

### **Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Nil
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding%	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Net worth attributable to shareholding as per latest audited Balance Sheet	
7. Profit/Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

For and on behalf of the Board

Chennai  
5<sup>th</sup> August 2019

R. Karthik  
Director

J. Sridharan  
Director



## ANNEXURE – 3 TO BOARD’S REPORT

### FORM NO. AOC -2

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

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

#### 1. Details of contracts or arrangements or transactions not at Arm’s length basis.

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions’	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

#### 2. Details of contracts or arrangements or transactions at Arm’s length basis.

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	W.S. T&D Limited, Subsidiary
b)	Nature of contracts/ arrangements/ transaction	(i) On account of assignment of liability from Subsidiary (ii) Due from Subsidiary converted into Unsecured Loan (iii) Sale of 16.40 Acres of Land to Subsidiary (iv) Assignment of loan to Subsidiary by the Company against part consideration receivable from the subsidiary for the transfer of land. (v) Receipt against transfer of land (vi) Allotment of 56041431 fully paid Series A Compulsorily Convertible Debentures having face value of Rs.10 each from Subsidiary

## W.S. INDUSTRIES (INDIA) LIMITED

Sl. No.	Particulars	Details
c)	Duration of the contracts/ arrangements/ transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	(i) 29.11.2018 (ii) 14.11.2018 and 26.12.2018 (iii) 14.02.2019 (iv) 14.02.2019 (v) 14.02.2019 (vi) 14.02.2019
f)	Amount paid towards outstanding, if any (Rs.in Millions)	(i) 40.00 (ii) 560.41 (iii) 3160.00 (iv) 3124.67 (v) 3.73 (vi) 560.41

For and on behalf of the Board

Chennai  
5<sup>th</sup> August 2019

R. Karthik  
Director

J. Sridharan  
Director



## ANNEXURE – 4 TO BOARD'S REPORT

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.3.2019

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

#### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L29142TN1961PLC004568
ii.	Registration Date	23.08.1961
iii.	Name of the Company	W.S.Industries (India) Limited
iv.	Category/Sub-Category of the Company	Public Company Limited by shares
v.	Address of the Registered office and contact details	No.108, Mount Poonamallee Road, Porur, Chennai 600 116
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Registry Management Services Private Limited, No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017

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

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Insulators	2393	100%
2	Turnkey Projects	4321	--

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

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	W.S.T & D Limited	U72100TN2008PLC067646	Subsidiary Company	51%	2(87)
2.	Vidagara Tech Park Private Limited	U74999TN2018PTC125504	Wholly owned Subsidiary Company	100%	2(87)



# W.S. INDUSTRIES (INDIA) LIMITED

## SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### Category-wise Share Holding

CAT_CODE	CATEGORY OF SHAREHOLDERS	NO OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR* #
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
A	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
(1)	Indian									
a	Individual/Hindu Undivided Family	778396	0	778396	3.68	763904	0	763904	2.91	-0.77
b	Central Government									
c	State Government									
d	Bodies Corporate	8870748	0	8870748	41.96	8885240	0	8885240	33.83	-8.13
e	Financial Institutions/Banks									
f	Any other(specify)									
	SUB TOTAL A(1)	9649144	0	9649144	45.64	9649144	0	9649144	36.74	-8.90
(2)	Foreign									
a	Individual(Non resident/foreign)	249341	0	249341	1.18	249341	0	249341	0.95	-0.23
b	Bodies corporate									
c	Institutions									
d	Qualified Foreign Investor									
e	Any other(specify)									
	SUB TOTAL A(2)	249341	0	249341	1.18	249341	0	249341	0.95	-0.23
	Total Shareholding of promoter and Promoter Group(A)=A(1)+A(2)	9898485	0	9898485	46.82	9898485	0	9898485	37.69	-9.13
B	Public Shareholding									
(1)	Institutions									
a	Mutual funds/UTI	0	400	400	0.00	0	400	400	0	0.00
b	Financial Institutions/Banks	71033	272	71305	0.34	71033	272	71305	0.27	-0.07
c	Central Government									
d	State Government(s)									
e	Venture Capital Funds									
f	Insurance Companies	269546	0	269546	1.28	269546	0	269546	1.03	-0.25
g	Foreign Institutional Investors									
h	Foreign Venture Capital Investors									
i	Qualified Foreign Investor									
j	Any other(specify)									
	SUB TOTAL B(1)	340579	672	341251	1.62	340579	672	341251	1.30	-0.32
(2)	Non-Institutions									
a	Bodies Corporate(Indian/foreign/ Overseas)	818187	287065	1105252	5.23	3811854	287065	4098919	15.61	10.38



CAT_CODE	CATEGORY OF SHAREHOLDERS	NO OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR* #
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
b	Individuals(Resident/NRI/Foreign National)									
(i)	Individual shareholders holding Nominal share Capital upto Rs.1 Lakh	3791661	328604	4120265	19.49	6071380	402150	6473530	24.65	5.16
(ii)	Individual shareholders holding Nominal share Capital above Rs.1 Lakh	3198033	83140	3281173	15.52	2101523	0	2101523	8	-7.52
c	Qualified Foreign Investor									
d	Any other(specify)									
d(i)	CLEARING MEMBER	15286	0	15286	0.07	67886	0	67886	0.26	0.19
d(ii)	CORPORATE CM/TM - CLIENT MARGIN A/C	106485	0	106485	0.50	565008	0	565008	2.15	1.65
d(iii)	CORPORATE CM/TM-COLLATERAL ACCOUNT	3572	0	3572	0.02	3306	0	3306	0.01	-0.01
d(iv)	CORPORATE CM/TM- PROPRIETARY ACCOUNT	6000	0	6000	0.03	0	0	0	0	-0.03
d(v)	CORPORATE-MARGIN TRADING ACCOUNT	102	0	102	0.00	0	0	0	0	0.00
d(vi)	TRUSTS	5050	0	5050	0.02	2439408	0	2439408	9.29	9.27
d(vii)	LIMITED LIABILITY PARTNERSHIP	2954	0	2954	0.01	2954	0	2954	0.01	0.00
d(viii)	FOREIGN PORT FOLIO INVESTOR-CORPORATE	1985577	0	1985577	9.39	0	0	0	0	-9.39
d(x)	IEPF	268337	0	268337	1.27	268337	0	268337	1.02	-0.25
	SUB TOTAL B(2)	10201244	698809	10900053	51.55	15331656	689215	16020871	61.00	9.45
	Total Public Share Holding (B)=B(1)+B(2)	10541823	699481	11241304	53.17	15672235	689887	16362122	62.30	9.13
	TOTAL (A)+(B)	20440308	699481	21139789	100.00	25570720	689887	26260607	100.00	0.00
C	Shares held by Custodians and against which Depository Receipts have been issued									
	GRAND TOTAL (A)+(B)+(C)	20440308	699481	21139789	100.00	25570720	689887	26260607	100.00	0.00

\* % Change in shareholding is only arising because of increase in the paid up equity share capital of the Company.

# % Change in shareholding has also been impacted by the increase in the paid up capital of the Company.

## W.S. INDUSTRIES (INDIA) LIMITED

### Shareholding of Promoters and Associates

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year* #
Mr.V.Srinivasan	446453	2.11	-	446453	1.70		-0.41
Mrs.Vidya Srinivasan	25750	0.13	-	25750	0.10	-	-0.03
Mr.Murali Srinivasan Venkatraman	14492	0.07	-	-	-	-	-0.07
Mr.Narayan Sethuramon	291701	1.38	1.37	291701	1.11	1.10	-0.27
Bluechip Investments Private Limited	4096138	19.38	6.75	4096138	15.60	5.43	-3.78
W S International Private Limited	1119798	5.30	-	1874657	7.14	-	1.84
Galaxy Investments Private Limited	889178	4.21	4.20	889178	3.39	3.38	-0.82
Vensunar Holdings Private Limited	820115	3.88	-	1234609	4.70	-	0.82
W S I Holding Private Limited	754859	3.57	-	-	-	-	-3.57
Vensunar Private Limited	365000	1.73	1.73	365000	1.39	1.39	-0.34
Trala Electromech Systems Pvt Ltd	262470	1.24	-	262470	1.00	-	-0.24
Murali Consultancy Services Private Limited	82131	0.39	-	82131	0.31	-	-0.08
W S Test Systems Private Limited	81057	0.38	-	81057	0.31	-	-0.07
Tractors & Farm Equipment Limited	400002	1.89	-	-	-	-	-1.89
Mrs.Suchitra Murali Balakrishnan	249341	1.18	-	249341	0.95	-	-0.23
Total	9898485	46.84	14.05	9898485	37.70	11.30	-9.14

\* % Change in shareholding is only arising because of increase in the paid up equity share capital of the Company.

# % Change in shareholding has also been impacted by the increase in the paid up capital of the Company.



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

Sl. No.	Name	Shareholding		Date	-Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning /end of the year	% of total shares of the company				No. of shares	% of total shares of the company* #
1	Mr.V.Srinivasan	446453	2.11		No Change		446453	1.70
2	Mrs.Vidya Srinivasan	25750	0.13		No Change		25750	0.10
3	Mr.Murali Srinivasan Venkatraman	14492	0.07	22.01.2019	-14492	Off-Market and Inter Se Transfer within Promoter Group	-	-
4	Mr.NarayanSethuram	291701	1.38		No Change		291701	1.11
5	Bluechip Investments Private Limited	4096138	19.38		No Change		4096138	15.60
6	W S International Private Limited	1119798	5.30	11.03.2019	754859	Merger	1874657	7.14
7	Galaxy Investments Private Limited	889178	4.21		No Change		889178	3.39
8	Vensunar Holdings Private Limited	820115	3.88	17.01.2019	400002	Off-Market and Inter Se Transfer within Promoter Group	1234609	4.70
				22.01.2019	14492			
9	W S I Holding Private Limited	754859	3.57	11.03.2019	-754859	Merger	-	-
10	Vensunar Private Limited	365000	1.73		No Change		365000	1.39
11	Trala Electromech Systems Pvt Ltd	262470	1.24		No Change		262470	1.00
12	Murali Consultancy Services Private Limited	82131	0.39		No Change		82131	0.31
13	W S Test Systems Private Limited	81057	0.38		No Change		81057	0.31
14	Tractors & Farm Equipment Limited	400002	1.89	17.01.2019	400002	Off-Market and Inter Se Transfer within Promoter Group	-	-
15	Mrs.Suchitra Murali Balakrishnan	249341	1.18		No Change		249341	0.95
	Total	9898485	46.84				9898485	37.70

\* % Change in shareholding is only arising because of increase in the paid up equity share capital of the Company.

# % Change in shareholding has also been impacted by the increase in the paid up capital of the Company.

## W.S. INDUSTRIES (INDIA) LIMITED

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

Sl. No.	NAME OF THE SHAREHOLDERS	Shareholding at the beginning of the year		Increase / Decrease Shares	Increase / Decrease Shares %	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company * #
	Date wise increase / Decrease in Promoters Shareholding during the year						
1	EAST SAIL						
	PAN :AABCE7121J						
	Opening Balance as on 31/03/2018	1985577	9.39				
	01/03/2019			-12288	-0.05	1973289	7.51
	08/03/2019			-593418	-2.26	1379871	5.25
	15/03/2019			-47825	-0.18	1332046	5.07
	22/03/2019			-79464	-0.30	1252582	4.77
	29/03/2019			-1252582	-4.77	0	0.00
	Closing Balance as on 30/03/2019						
2	HITESH RAMJI JAVERI						
	PAN :AABPJ4691H						
	Opening Balance as on 31/03/2018	905080	4.28				
	Closing Balance as on 30/03/2019					905080	3.45
3	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS						
	PAN :EXEMPTCATG						
	Opening Balance as on 31/03/2018	268337	1.27				
	Closing Balance as on 30/03/2019					268337	1.02
4	THE ORIENTAL INSURANCE COMPANY LIMITED						
	PAN :AAACT0627R						
	Opening Balance as on 31/03/2018	269546	1.28				
	Closing Balance as on 30/03/2019					269546	1.03
5	SANJIV DHIRESHBHAI SHAH						
	PAN :ADGPS0244P						
	Opening Balance as on 31/03/2018	208304	0.99				
	Closing Balance as on 30/03/2019					208304	0.79



Sl. No.	NAME OF THE SHAREHOLDERS	Shareholding at the beginning of the year		Increase / Decrease Shares	Increase / Decrease Shares %	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company * #
6	PREMIER HOUSING AND IND. ENTERPRISES LTD						
	PAN :P00376						
	Opening Balance as on 31/03/2018	175000	0.83				
	Closing Balance as on 30/03/2019					175000	0.67
7	HARSHA HITESH JAVERI						
	PAN :AAEPJ7739F						
	Opening Balance as on 31/03/2018	150000	0.71				
	Closing Balance as on 30/03/2019					150000	0.57
8	ANKUR CHOPRA						
	PAN :AEEPC7517E						
	Opening Balance as on 31/03/2018	141303	0.67				
	Closing Balance as on 30/03/2019					141303	0.54
9	W.E. ENGINEERING PVT LTD.						
	PAN :AAACW2443G						
	Opening Balance as on 31/03/2018	130000	0.61				
	Closing Balance as on 30/03/2019					130000	0.50
10	SALIGRAM STOCKS AND SERVICES PRIVATE LIMITED						
	PAN :AAECS3212P						
	Opening Balance as on 31/03/2018	115450	0.55				
	Closing Balance as on 30/03/2019					115450	0.44
11	NINJA SECURTIES PRAVITE LIMITED						
	PAN :AAACN2336B						
	Opening Balance as on 31/03/2018	113200	0.54				
	06/04/2018			5	0.00	113205	0.43
	10/08/2018			10	0.00	113215	0.43
	08/03/2019			191450	0.73	304665	1.16
	Closing Balance as on 30/03/2019					304665	1.16
12	GRYFFIN ADVISORY SERVICES PRIVATE LIMITED						
	PAN :AAFCEM9591G						
	Opening Balance as on 31/03/2018	105000	0.50				
	Closing Balance as on 30/03/2019					105000	0.40

## W.S. INDUSTRIES (INDIA) LIMITED

Sl. No.	NAME OF THE SHAREHOLDERS	Shareholding at the beginning of the year		Increase / Decrease Shares	Increase / Decrease Shares %	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company * #
13	RAJ KUMAR AGARWAL						
	PAN :ACKPA0021B						
	Opening Balance as on 31/03/2018	100000	0.47				
	Closing Balance as on 30/03/2019					100000	0.38
14	UMESH NARAYAN .						
	PAN :ABFPN1549K						
	Opening Balance as on 31/03/2018	99999	0.47				
	Closing Balance as on 30/03/2019					99999	0.38
15	ANANTHKUMAR R						
	PAN :ATKPA2304E						
	Opening Balance as on 31/03/2018	77200	0.37				
	Closing Balance as on 30/03/2019					77200	0.29
16	EARC SAF 1 TRUST						
	PAN :AAATE4818N						
	Opening Balance as on 31/03/2018	0	0.00				
	31/08/2018			2434358	9.27	2434358	9.27
	Closing Balance as on 30/03/2019					2434358	9.27
17	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED						
	PAN :AAATE6799A						
	Opening Balance as on 31/03/2018	0	0.00				
	31/08/2018			1901268	7.24	1901268	7.24
	Closing Balance as on 30/03/2019					1901268	7.24
18	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED						
	PAN :AAATE7090E						
	Opening Balance as on 31/03/2018	0	0.00				
	31/08/2018			785192	2.99	785192	2.99
	Closing Balance as on 30/03/2019					785192	2.99
19	DHWAJA SHARES & SECURITIES PRIVATE LIMITED						
	PAN :AACCD1313L						
	Opening Balance as on 31/03/2018	0	0.00				
	29/03/2019			300000	1.14	300000	1.14
	Closing Balance as on 30/03/2019					300000	1.14



Sl. No.	NAME OF THE SHAREHOLDERS	Shareholding at the beginning of the year		Increase / Decrease Shares	Increase / Decrease Shares %	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company * #
20	SWETA . SHROFF						
	PAN :ARCPS6120Q						
	Opening Balance as on 31/03/2018	0	0.00				
	30/03/2019			300000	1.14	300000	1.14
21	ARCADIA SHARE AND STOCK BROKERS PVT. LTD.						
	PAN :AAACA4562G						
	Opening Balance as on 31/03/2018	3004	0.01				
	18/05/2018			-500	0.00	2504	0.01
	29/06/2018			-200	0.00	2304	0.01
	17/08/2018			4050	0.02	6354	0.02
	24/08/2018			-4050	-0.02	2304	0.01
	29/03/2019			200000	0.76	202304	0.77
	Closing Balance as on 30/03/2019					202304	0.77
22	HAMILTON AND CO LTD						
	PAN :AAACH8178B						
	Opening Balance as on 31/03/2018	0	0.00				
	26/10/2018			145000	0.55	145000	0.55
	Closing Balance as on 30/03/2019					145000	0.55
23	SHASHI RUNGTA						
	PAN :AFMPR6506D						
	Opening Balance as on 31/03/2018	0	0.00				
	08/03/2019			58500	0.22	58500	0.22
	15/03/2019			-36000	-0.14	22500	0.09
	29/03/2019			120400	0.46	142900	0.54
	Closing Balance as on 30/03/2019					142900	0.54

\* % Change in shareholding is only arising because of increase in the paid up equity share capital of the Company.

# % Change in shareholding has also been impacted by the increase in the paid up capital of the Company.



## W.S. INDUSTRIES (INDIA) LIMITED

### (v) Shareholding of Directors and Key Managerial Personnel:

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

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. In million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2779.23	150.70		2929.93
ii) Interest due but not paid	513.66			513.66
iii) Interest accrued but not due	0.53			0.53
Total (i+ii+iii)	3293.42	150.70		3444.12
Change in Indebtedness during the financial year				
· Addition				
· Reduction	2439.81	96.10		2535.91
Net Change	2439.81	96.10		2535.91
Indebtedness at the end of the financial year				
i) Principal Amount	719.13	54.60		773.73
ii) Interest due but not paid	132.70	-		132.70
iii) Interest accrued but not due	1.78	-		1.78
Total (i+ii+iii)	853.61	54.60		908.21



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SI.No.	Particulars of Remuneration	Name of the WTD
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil Nil Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify	Nil
5.	Others, please specify	Nil
	Total(A)	Nil
	Ceiling as per the Act	

### B. Remuneration to other directors:

SI. No.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	----	
	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	The Company does not pay any remuneration including sitting fees to any of the Directors of the Company				
	Total(1)					
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify					
	Total(2)					
	Total(B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

## W.S. INDUSTRIES (INDIA) LIMITED

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD MANAGER/ WTD (in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	CFO & Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	44,60,000	44,60,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	5,40,000	5,40,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission – as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	-	50,00,000	50,00,000

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no Penalties, Punishment or Compounding of Offences during the year ended 31<sup>st</sup> March, 2019.

During the year the company has paid fine under protest for non compliance of Regulation 17(1) of SEBI LODR, 2015 for the appointment of women director on the board to both stock exchanges for the quarter ended 30<sup>th</sup> September 2018, 31<sup>st</sup> December 2018 and 31<sup>st</sup> March 2019 and the appeal before Securities Appellate Tribunal is pending.



## ANNEXURE – 5 TO BOARD’S REPORT

The explanation / comments of the Board on Qualification / reservation given by the Auditor in its Report for the Financial year 2018-2019

Explanation of Management on Qualification / reservation contained in the Auditors Report for the Standalone Financial Statements are given under:

Audit Qualification (each audit qualification separately):

Auditors’ Qualified Opinion No.1

- a. Details of Audit Qualification: The company’s net worth has been completely eroded. The accumulated losses in the reporting year, amounts to Rs. 4347.16 Millions (Previous year Rs.2105.68 Millions) and the turnover during the period ended 31<sup>st</sup> March, 2019 is Rs.7.26 Millions (previous year Rs. 25.28 Millions).

In view of the above, we are unable to comment on the ability of the company to continue as a going concern as per SA 570.

- b. Type of Audit Qualification : Qualified opinion  
c. Frequency of qualification : Appeared fifth time  
d. For Audit qualification(s) where the impact is quantified by the auditor: **Not applicable**

Management’s Views: **Not applicable**

- e. For Audit qualification(s) where the impact is not quantified by the auditor:  
(i) Management’s estimation on the impact of audit qualification: **Not relevant**  
(ii) If management is unable to estimate the impact, reasons for the same:**Not applicable**

Observation :

Both Punjab National Bank & the Indian Overseas Bank, have assigned their facilities to Edelweiss Asset Reconstruction Company Ltd, as on 10<sup>th</sup> December 2015 and 29<sup>th</sup> March 2016 respectively and terms and conditions have not been disclosed to us. Further more, the Company is in discussions with Allium Finance Private Limited, IDBI Trusteeship Services Limited, and Edelweiss Asset Reconstruction Company Limited to find a resolution to the outstanding loan liabilities with them and arising from the non completion of the settlement agreements signed with them on 12<sup>th</sup> April 2018 and also to arrive at a solution for the re-establishment and revival of the insulator manufacturing unit at Vishakapatnam and its Turnkey Project Business unit.

For this purpose, the Company is evaluating various steps including strategic partnership, implementation of own and contract manufacturing, product/unit portfolio rationalization, implementation of cost-efficiency and productivity measures and expansion of competency and scope in provision of integrated project solutions.

- (iii) Auditor’s Comments on (i) or (ii) above: Statement of facts.

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

---

Explanation of Management on Qualification / reservation contained in the Auditors Report for the Consolidated Financial Statements are given under:

Audit Qualification (each audit qualification separately):

Auditors' Qualified Opinion No.1

- a. Details of Audit Qualification: The company's net worth has been completely eroded. The accumulated losses in the reporting year, amounts to Rs.4374.59 Millions (Previous year Rs.2132.45 Millions) and turnover during the period ended 31<sup>st</sup> March, 2019 is Rs. 7.26 Millions (previous year Rs.25.28 Millions).

In view of the above, we are unable to comment on the ability of the company to continue as a going concern as per SA 570

- b. Type of Audit Qualification : Qualified opinion  
c. Frequency of qualification : Appeared fourth time  
d. For Audit qualification(s) where the impact is quantified by the auditor: **Not applicable**

Management's Views: **Not applicable**

- e. For Audit qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: **Not relevant**

(ii) If management is unable to estimate the impact, reasons for the same: **Not applicable**

Observation :

Both Punjab National Bank & the Indian Overseas Bank, have assigned their facilities to Edelweiss Asset Reconstruction Company Ltd, as on 10<sup>th</sup> December 2015 and 29<sup>th</sup> March 2016 respectively and terms and conditions have not been disclosed to us. Further more the Holding Company is in discussions with Allium Finance Private Limited, IDBI Trusteeship Services Limited, and Edelweiss Asset Reconstruction Company Limited to find a resolution to the outstanding loan liabilities with them and arising from the non completion of the settlement agreements signed with them on 12<sup>th</sup> April 2018 and also to arrive at a solution for the re-establishment and revival of the insulator manufacturing unit at Vishakapatnam and its Turnkey Project Business unit of the Holding Company.

For this purpose, the Holding Company is evaluating various steps including strategic partnership, implementation of own and contract manufacturing, product/unit portfolio rationalization, implementation of cost-efficiency and productivity measures and expansion of competency and scope in provision of integrated project solutions.

A separate revival plan has been conceptualised for W.S.T&D Limited (Subsidiary) which is under implementation.

- (iii) Auditor's Comments on (i) or (ii) above: Statement of facts.



## ANNEXURE – 6 TO BOARD'S REPORT

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

W.S. Industries (India) Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019(Regulation 24A of SEBI(LODR)).

- (a) all the documents and records made available to us and explanation provided by W.S. Industries (India) Limited ("the Listed Entity"),
- (b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by W.S. Industries (India) Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:
  - i. The Companies Act, 2013 (the Act) and the Rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended;

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

---

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015 as amended);
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

We hereby report that

- a. The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder.
- b. The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- c. There were no actions taken against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operation Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder, except that the Company has paid Penalties, under protest, to the Bombay Stock Exchange and National Stock Exchange aggregating to Rs.23,29,400 for the non-compliance of Regulation 17(1) of SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015 for Non-Appointment of Woman Director for the period till 29<sup>th</sup> January, 2019. The matter is presently in appeal before Securities Appellate Tribunal.

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

- (i) The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (ii) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

In our opinion and as identified and informed by the Management, the Company has no specific laws applicable to the Company since the factory situated at 108, Mount Poonamallee Road, Porur, Chennai- 600116 was closed with effect from close of business hours of 29<sup>th</sup> November, 2018 and also the factory situated at Vishakhapatnam is kept under suspension of operation.

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above, except:

1. The Company has not appointed a Woman Director for the first three quarters of the year.
2. The Company did not appoint a Company Secretary for the first three quarters of the year.
3. Payment of Debenture interest and redemption of its debentures even after the due date. However, the Company relies on an opinion from an expert in this regard and based on the same, the Company is in compliance with provisions of Section 164 of the Companies Act 2013.



4. There was no Whole-Time Director under Section 203 of the Companies Act, 2013 till 24<sup>th</sup> March, 2019
5. The Outstanding receivables from its wholly owned subsidiary due to the Company has been converted into loans. The Company has subsequently converted such loan into Compulsory Convertible Debentures. However, no interest was charged as provided under the terms of the agreement.
6. The composition of the Board of Directors was proper only from the 4<sup>th</sup> quarter onwards, due to the Point No. 3 above.
7. Form SH-7 for Increase in Authorised Share Capital could not be filed with the Ministry of Corporate Affairs, since such increase was rescinded by the Board and superseded by the Shareholders through Postal Ballot dated 8<sup>th</sup> June 2019.

We further report that there were no actions/events in the pursuance of

1. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, the Company has adequate systems in monitoring the compliance of all general laws.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated professionals.

We further report that

Being a Sick Company under the erstwhile SICA Act, the Board of Directors of the company could not be constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors only from the 4<sup>th</sup> quarter onwards. The changes in the composition of the Board of Directors that took during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.



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

---

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs, except the following:

1. The Company has made a partial redemption of Non-Convertible Debentures to the extent of Rs.22,00,00,000 thereby reduction in Face Value from Rs.8,00,000 to Rs.66,667 on 13<sup>th</sup> April, 2018.
2. The Company had entered into a One Time Settlement with the State Bank of India to the extent of Rs.12.53 Crores as against the total outstanding of Rs. 16.70 Crores.
3. The period of 925000 Non-Convertible, redeemable and cumulative Preference Shares of Rs.100 each, due for redemption on 30<sup>th</sup> September, 2018 has been extended for a further period of 12 months, upto 30<sup>th</sup> September, 2019 by obtaining the consent of the Holders pursuant to section 48 of the Companies Act, 2013
4. The period of 350000 Non-Convertible, redeemable and cumulative Preference Shares of Rs.100 each, due for redemption on 28<sup>th</sup> February, 2019 has been extended for a further period of 18 months, upto 31<sup>st</sup> August, 2020 by obtaining the consent of the Holders pursuant to section 48 of the Companies Act, 2013.
5. The Board has approved the conversion of existing outstanding receivable amounting to Rs. 56,04,14,310 from its wholly owned subsidiary to Unsecured Loan on 14.11.2018 and 26.12.2018. The Company has subsequently subscribed to 5,60,41,431 Unsecured Compulsory Convertible Debentures of Rs.10 each ("Series A Debentures") issued by its Wholly Owned Subsidiary W.S.T&D Limited on 20<sup>th</sup> March, 2019 in lieu of the said outstanding loan.
6. The Series A Debentures were transferred to M/s. Abhishaya Infrastructure Private Limited on 21<sup>st</sup> March, 2019 for Rs.5Lakhs based on the Valuation given by the Merchant Banker.
7. Members have accorded their approval through Postal Ballots dated 30<sup>th</sup> May, 2018 and 29<sup>th</sup> October, 2018:
  - (i) To increase the borrowing power of the Company not exceeding Rs.700 Crores.
  - (ii) To create charge/mortgage on the Company's movable or immovable properties not exceeding Rs.900 Crores.
  - (iii) To convert debt into equity and issue and allot 5120818 equity shares of Rs. 10 each on preferential basis to Edelweiss Asset Reconstruction Company acting in its capacity as a trustee for conversion of part of the outstanding interest into equity.
  - (iv) To sell/transfer of the Immovable Property (along with superstructures, if any) to the extent of 16.40 acres of Land at Porur, Chennai, to W.S.T&D Limited for a consideration of Rs.316,00,00,000 and to be discharged in the following manner
    - (a) "By WST&D taking over and assuming the loans of the Company aggregating to INR 312,46,68,855(Rupees Three Hundred Twelve Crores Forty Six Lakhs Sixty Eight Thousand Eight Hundred and Fifty Five) due and payable by the Company to Abhishaya Infrastructure Private Limited;
    - (b) Payment of withholding taxes of Rs.3,16,00,000(Rupees Three Hundred Sixteen Crores only); and



- (c) Payment of the balance amount of INR 37,31,145 (Rupees Thirty Seven Lakhs Thirty One Thousand One Hundred Forty Five)” by passing a special resolution under section 180, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies(Management and Administration), Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and pursuant to other applicable laws and regulations of the Companies Act, 2013. However, the above resolution to be passed under section 188 was covered under the “other applicable provisions” as confirmed by the Management.
- (v) To sell/transfer of Immovable Property (along with superstructures, if any), to the extent of 13.71 acres of land at Porur, Chennai currently pending adjudication before the Hon’ble Supreme Court of India for a consideration of Rs.264,00,00,000 to W.S.T&D Limited, a Wholly-owned Subsidiary of the Company or any other wholly-owned subsidiary of the Company to be discharged by paying monetary consideration (in full or in part) and/or taking over the whole or portion of the loan amount due to the Company and on such other terms and conditions as the Board may in its discretion deem fit by passing a special resolution under section 180 of the Companies Act, 2013. However, the above resolution to be passed under section 188 was covered under the “other applicable provisions” as confirmed by the Management.
- (vi) To increase the Authorised Share Capital of the Company from Rs.50,00,00,000 to Rs.65,00,00,000 and consequent amendment in the Memorandum of Association. However, the same was rescinded by the Board in its meeting held on 14<sup>th</sup> November, 2018 and by the Members in their Postal Ballot dated 8<sup>th</sup> June, 2019.
- (vii) To approve the acquisition of M/s. Vidagara Tech Park Private Limited as wholly-owned subsidiary of the Company w.e.f. 14.02.2019.

**Events after the end of the year and before the date of signing this Report-**

1. The Company has passed a Special Resolution under Regulation 24(5) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 to cease control over its Subsidiary vide Postal Ballot dated 8<sup>th</sup> June, 2019
2. The Company has rescinded the Resolution for increase in Authorised Capital from Rs.50 Crore to Rs.65Crore vide Ordinary Resolution passed on 8<sup>th</sup> June, 2019
3. The Series B Debentures allotted by the Company’s Subsidiary, W. S. T&D Limited to M/s. Abhishaya Infrastructure Private Limited were converted to equity shares as on 10.06.2019, as a result of which W.S.T&D Limited lost the status of Subsidiary of the Company.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Lakshmmi Subramanian  
Senior Partner  
FCS No.3534  
C.P.No. 1087

Place: Chennai  
Date: 27<sup>th</sup> July, 2019

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

---

## **ANNEXURE – A**

(To the Secretarial Audit Report of M/s. W.S. Industries (India) Limited  
for the financial year ended 31.03.2019)

To,

The Members

W.S. Industries (India) Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Lakshmmi Subramanian  
Senior Partner  
FCS No.3534  
C.P.No. 1087

Place: Chennai  
Date: 27<sup>th</sup> July, 2019



## ANNEXURE – 6A TO BOARD'S REPORT

The explanation / comments of the Board on the observations given by the Secretarial Auditor in their report for the Financial year 2018 -2019

Sl. No.	Observations	Response
1	The Company has not appointed a Woman Director for the first three quarters of the year.	As highlighted in the 55 <sup>th</sup> annual report, due to the severe and strained financial situation, the company was facing challenges in the composition, diversity and size of the Board or Directors. Though the Company has been taking efforts to fill in the vacancies due to the resignation of Woman Director, it has not been able to do so, for the reasons as indicated above. The Company could identify a woman director in Jan 2019 and she has been appointed on 30 <sup>th</sup> Jan 2019.
2	The Company did not appoint a Company Secretary for the first three quarters of the year.	Reasons stated in point 1. The existing CFO indicated his willingness to be appointed as Company Secretary of the Company. He has been appointed by the Board as CS on 14 <sup>th</sup> Feb 2019.
3	There was no Whole-Time Director under Section 203 of the Companies Act, 2013 till 24 <sup>th</sup> March, 2019	Reasons stated in point 1. Non-Executive Director was re-designated as Whole Time Director (KMP) w.e.f 25 <sup>th</sup> March, 2019.
4	The Outstanding receivables from its wholly owned subsidiary due to the Company has been converted into loans. The Company has subsequently converted such loan into Compulsory Convertible Debentures. However, no interest was charged as provided under the terms of the agreement.	The terms of the loans have been approved by its Audit Committee and the Board on 30 <sup>th</sup> May 2019 and provide that interest shall be accruable and payable at the end of such financial year only. Prior to this date, the loan has been converted in to Compulsorily Convertible Debenture.
5	The composition of the Board of Directors was proper only from the 4 <sup>th</sup> quarter onwards.	Refer Point 1,2 and 3 as above.
6	Form SH-7 for Increase in Authorised Share Capital could not be filed with the Ministry of Corporate Affairs, since such increase was rescinded by the Board and superseded by the Shareholders through Postal Ballot dated 8 <sup>th</sup> June 2019.	The Board opined that such increase of authorized share capital of the Company would not be immediately required. The Board in its meeting on 14 <sup>th</sup> Nov 2018 considered that the resolution be rescinded and that the Authorised Share Capital of the Company be retained to the existing capital itself. The same was approved by the members of the Company by Postal Ballot and the results were declared on 08 <sup>th</sup> June 2019.

# W.S. INDUSTRIES (INDIA) LIMITED

---

## INDEPENDENT AUDITOR'S REPORT

To the Members of **W.S. INDUSTRIES (INDIA) LIMITED**

### Report on the Audit of the Standalone financial statements

#### Qualified Opinion

We have audited the accompanying Standalone Ind AS financial statements of **W.S. INDUSTRIES (INDIA) LIMITED** ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March, 2019, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of matter given in basis for qualified opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

- The company's net worth has been completely eroded. The accumulated losses in the reporting year, amounts to Rs.4347.16 millions (Previous year Rs.2105.68 millions) and the turnover during the period ended 31<sup>st</sup>March, 2019 is Rs.7.26 millions (previous year Rs.25.28 millions)

In view of the above, we are unable to comment on the ability of the company to continue as a going concern as per SA 570.

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	Response to Key Audit Matters & Conclusion
The company has outstanding liabilities of Rs.851.83millions to Allium Finance Private Limited, IDBI Trusteeship Services Limited and Edelweiss Asset Reconstruction Company Limited.	The company is in discussion with Allium Finance Private Limited, IDBI Trusteeship services Limited, and Edelweiss Asset Reconstruction Company Limited to find a resolution to the outstanding loan liabilities with them and arising from the noncompletion of the settlement agreements signed with them on 12 <sup>th</sup> April, 2018



1. Company's share capital has increased from Rs.211.40 millions to Rs.262.61 millions.	The Share capital of the company has increased to Rs.262.61 millions consequent to allotment of 5120818 equity shares on a preferential basis to the respective trust of Edelweiss asset reconstruction company Limited.
2. Company has incurred a Loss of Rs.559.91 Millions from the sale of compulsorily convertible debentures.	The sale/transfer of the compulsorily convertible debenture in its subsidiary was based on the valuation conducted as per prescribed guidelines. Loss arising thereon of Rs.559.91 millions has been included as loss, in loss from discontinued operations.
3. Sale of land to subsidiary company (M/s W.S. T&D LTD)  During the year, the company has sold an immovable property measuring 16.40 acres of land for consideration partly other than cash and partly by cash equivalents.	As a part of sale consideration amounting Rs.3160.00 millions, the company has assigned a loan amounting to Rs. 3124.67 millions due to Abhishaya Infrastructure (P) Ltd and received the balance consideration in cash equivalents after the deduction of TDS amounting to Rs.31.60 millions. The title deed of the property is pending release by the Sub Registrar.

### **Management's Responsibility for the Standalone financial statements**

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material

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

---

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The company has part redeemed debentures and made part payment of interest on the debentures. The company has obtained suitable opinion from an expert and based on the same, the company is in compliance with the provisions of sec 164 of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.;
  - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.

For **M/s. S B S B AND ASSOCIATES**

Chartered Accountants

Firm Registration No: 012192S

D. Sharath Kumar

Partner

Membership No.: 024568

Place : Chennai

Date : 30<sup>th</sup> May 2019



## **“Annexure A” to the Independent Auditors’ Report of even date on the Standalone financial statements of W.S. INDUSTRIES (INDIA) LIMITED.**

Referred to in Paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date:

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) We are unable to form any opinion with regard to, any material discrepancies on the physical verification of fixed assets, in the absence of any record for the verification of the same as on the end of the financial period.
  - (c) We are informed that the title deeds of immovable properties are held in the name of the company.
- (ii) According to the information and explanations given to us, the Management was not able to conduct the physical verification of inventory as at 31<sup>st</sup> March 2019 and the same cannot be opined upon.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has not granted loans to a body corporate covered in the register maintained under Sec 189 of the Companies Act 2013 and hence clause (iii) (a) to (c) are not applicable to the company.
- (iv) The company has complied with the provisions of sections 185 and 186 of the companies Act, 2013, in respect of loans, investments, provided by the company. The company has not provided any guarantee or security to any company covered under Section 185.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under are applicable.
- (vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is regular in depositing undisputed statutory dues including Provident Fund, Income-Tax, Goods and Service Tax, Duties of Customs and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, undisputed amounts provided for March 31, 2019 and payable for a period of more than six months are given below:

<b>S. NO</b>	<b>NATURE OF DUES</b>	<b>AMOUNT OUTSTANDING FOR MORE THAN SIX MONTHS (IN MILLIONS)</b>
1.	TDS	8.12
2.	PROPERTY TAX	11.25
3.	GRATUITY TO LIC	0.19



## W.S. INDUSTRIES (INDIA) LIMITED

- (b) According to the information and explanation given to us, the following dues of income tax have not been deposited by the company on account of dispute are given below:

Name of the Statute	Nature of dues	Amount (In Million)	Forum where the dispute is pending	Period to which the dues belong (Assessment Year)
INCOME TAX ACT, 1961	Income Tax	0.40	High Court	1996-97 and 1997-98

- (viii) In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to banks and financial institutions as below:

Name of the Bank / Financial Institution	Amount outstanding as at 31 <sup>st</sup> MARCH 2019 (In Million)
EARC – Assigned by PNB	347.08
EARC – Assigned by IOB	144.93
EARC – Assigned by Exim Bank	117.64
Allium Finance Limited	30.00
EARC – Assigned by Exim Bank – Security Receipts	59.48
Non Convertible Debentures	20.00
<b>TOTAL</b>	<b>719.13</b>

- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, clause (ix) of the Order is not applicable to the Company.
- (x) In our opinion and according to the information and explanations given to us, the company has not noticed any fraud by the company or any fraud on the company by its Officers or employees or reported during the year.
- (xi) According to the information and explanations given to us, the Company has not provided for managerial remuneration during the year.
- (xii) The Company is not a Nidhi Company. Therefore, Clause (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.



(xiv) According to the information and explanations given to us, the company has made a preferential allotment of shares during the year under review and the details are given below:

No. of shares	Face value	Total amount (in Rs.)
51,20,818	10	5,12,08,180

(xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the Order are not applicable to the Company.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For **M/s. S B S B AND ASSOCIATES**

Chartered Accountants

Firm Registration No: 012192S

D. Sharath Kumar

Partner

Membership No.: 024568

Place : Chennai

Date : 30<sup>th</sup> May 2019

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

---

### **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone financial statements of W.S. INDUSTRIES (INDIA) LIMITED**

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **W.S. INDUSTRIES (INDIA) LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted



accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

The system of internal financial controls over financial reporting, with regard to the company were made available to us, to determine whether the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at 31<sup>st</sup> March 2019. However, in addition to above, internal financial controls over financial reporting is based on management's assurance.

We give a disclaimer as reported above in respect of the internal financial controls over financial reporting, considering the nature, timing and extent of audit tests in our audit of the Standalone financial statements of the Company and hence our opinion is subject to the said disclaimer on the Standalone financial statements of the company.

**For M/s. S B S B AND ASSOCIATES**

Chartered Accountants  
Firm Registration No: 012192S

D. Sharath Kumar  
Partner

Membership No.: 024568

Place : Chennai  
Date : 30<sup>th</sup> May 2019

# W.S. INDUSTRIES (INDIA) LIMITED

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2019

(in ₹ Million)

	Notes	31 MARCH 2019	31 MARCH 2018
<b>ASSETS</b>			
<b>1 Non-Current Assets :</b>			
(a) Property, Plant and Equipment	4	748.71	840.97
(b) Capital Work in Progress	4	7.04	7.04
(c) Financial Assets :			
Investments	5	0.60	0.50
(d) Other Non- Current Assets	6	1.38	3.76
<b>Total Non -Current Assets</b>		<b>757.73</b>	<b>852.27</b>
<b>2 Current Assets :</b>			
(a) Inventories	7	11.43	11.51
(b) Financial Assets :			
i. Trade Receivables	8	18.68	28.25
ii. Cash and Cash Equivalents	9	20.19	14.37
(c) Current Tax Assets (Net)	10	31.79	11.27
(d) Other Current Assets	11	48.34	1506.15
<b>Total Current Assets</b>		<b>130.43</b>	<b>1571.55</b>
<b>3 Non Current Assets held</b>	4	<b>294.46</b>	<b>668.46</b>
<b>TOTAL ASSETS</b>		<b>1182.62</b>	<b>3092.28</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity:</b>			
(a) Equity Share Capital	12	262.61	211.40
(b) Other Equity	13	(506.83)	(1051.17)
<b>Total Equity</b>		<b>(244.22)</b>	<b>(839.77)</b>
<b>2 Liabilities:</b>			
Non Current Liabilities :			
Financial Liabilities			
Prefeference Share Capital	14	127.50	127.50
<b>Total Non Current Liabilities</b>		<b>127.50</b>	<b>127.50</b>
Current Liabilities :			
(a) Financial Liabilities			
i. Borrowings	15	54.60	175.68
ii. Trade Payables	16	285.31	281.59
iii. Other financial liabilities	17	853.61	3268.43
(b) Provisions	18	0.43	0.89
(c) Current tax liabilities (Net)	10		4.08
(d) Other current liabilities	19	105.39	73.88
<b>Total Current Liabilities</b>		<b>1299.34</b>	<b>3804.55</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1182.62</b>	<b>3092.28</b>
Significant Accounting Policies & Notes on Financial Statements	1 to 74		

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

Place : Chennai  
Date : 30<sup>th</sup> May 2019

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary


**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

<i>PARTICULARS</i>	Note No	31 MARCH 2019	31 MARCH 2018
<b>INCOME:</b>			
I Revenue from Operations	20	3.26	22.54
II Other Income	21	93.42	11.67
III <b>Total Income ( I + II )</b>		<b>96.68</b>	34.21
<b>IV EXPENSES:</b>			
Cost of materials consumed	22	0.08	1.22
Changes in inventories of finished goods, work-in-progress	23		0.09
Employee benefits expense	24	3.03	2.99
Finance costs	25	48.66	(0.50)
Depreciation	4	92.25	91.67
Other expenses	26	9.78	2.65
<b>Total Expenses (IV)</b>		<b>153.80</b>	98.12
V Profit / (Loss) before exceptional items and tax (III - IV )		(57.12)	(63.91)
VI Exceptional Items			
VII <b>Profit / (Loss) before tax (V-VI)</b>		(57.12)	(63.91)
VIII <b>Tax expense</b>			
IX Profit / (Loss) for the year from Continuing Operations(VII-VIII)		(57.12)	(63.91)
X Profit / (Loss) from discontinued Operations(VII-VIII)	27	(2188.86)	383.77
XI Provision for Income Tax withdrawn		(4.52)	
XII Profit / (Loss) from discontinued Operations after tax (X-XI)		(2184.34)	383.77
XIII Profit / (Loss) for the period (IX+XII)		(2241.46)	319.86
<b>XIV Other Comprehensive income</b>			
A. (i) Items that will not be reclassified to Profit or loss Other comprehensive income/(Loss) arising from discontinued operations			
A. (ii) Income tax relating to items that will not be reclassified to profit or loss			
B. (i) Items that may be reclassified to profit or loss			
B. (ii) Income tax relating to items that may be reclassified to profit or loss			
XV <b>Total other comprehensive income A(I+II)+B(I+II)</b>			
XVI <b>Total comprehensive income for the period (XIII+XV)</b>		(2241.46)	319.86
Earning per equity share (for continuing operation)			
(i) Basic		(2.65)	(3.62)
(ii) Diluted		(2.65)	(3.62)
Earning per equity share (for discontinued operation)			
(i) Basic		(83.18)	18.15
(ii) Diluted		(83.18)	18.15
Earning per equity share (for discontinued and continuing operation)			
(i) Basic		(85.83)	14.54
(ii) Diluted		(85.83)	14.54
Significant Accounting Policies & Notes on Financial Statements	1 to 74		

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

Place : Chennai  
Date : 30<sup>th</sup> May 2019

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary

# W.S. INDUSTRIES (INDIA) LIMITED

## STATEMENT OF CHANGES IN EQUITIES FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019

(in ₹ Million)

### a) Equity Share Capital

Balance at 1 <sup>st</sup> April 2017	Changes in equity share capital during the year	Balance at 31 <sup>st</sup> March 2018
211.40		211.40
Balance at 1 <sup>st</sup> April 2018	Changes in equity share capital during the year	Balance at 31 <sup>st</sup> March 2019
211.40	51.21	262.61

### b) Other Equity

Particulars	Reserves & surplus							Total
	Capital Reserve	Share Premium	Revaluation Reserve	Revaluation Reserve - Ind AS	Capital Redemption Reserve	Special General Reserve	Retained Earnings	
Balance at 1 <sup>st</sup> April 2017	9.95	180.50	664.11	(2.02)	176.16	25.81	(2425.54)	(1371.03)
Additions during the year								
Withdrawals during the year								
Profit /(Loss) for the year							319.85	319.85
Other comprehensive income/(Loss) arising from discontinued operations								
<b>Total Comprehensive income for the year</b>	<b>9.95</b>	<b>180.50</b>	<b>664.11</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(2105.69)</b>	<b>(1051.18)</b>
<b>Balance at 31<sup>st</sup> March 2018</b>	<b>9.95</b>	<b>180.50</b>	<b>664.11</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(2105.69)</b>	<b>(1051.18)</b>

Particulars	Reserves & surplus							Total
	Capital Reserve	Share Premium	Revaluation Reserve	Revaluation Reserve - Ind AS	Capital Redemption Reserve	Special General Reserve	Retained Earnings	
Balance at 1 <sup>st</sup> April 2018	9.95	180.50	664.11	(2.02)	176.16	25.81	(2105.69)	(1051.18)
Additions during the year	3159.72							3159.72
Withdrawals during the year			(373.90)					(373.90)
Profit /(Loss) for the year							(2241.47)	(2241.47)
Other comprehensive income/(Loss) arising from discontinued operations								
<b>Total Comprehensive income for the year</b>	<b>3169.67</b>	<b>180.50</b>	<b>290.21</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(4347.16)</b>	<b>(506.83)</b>
<b>Balance at 31<sup>st</sup> March 2019</b>	<b>3169.67</b>	<b>180.50</b>	<b>290.21</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(4347.16)</b>	<b>(506.83)</b>

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

Place : Chennai  
Date : 30<sup>th</sup> May 2019

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary


**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

PARTICULARS	31 MARCH 2019	31 MARCH 2018
<b>A OPERATING ACTIVITIES:</b>		
Profit before tax from continuing operations	(57.13)	(63.91)
Profit/(loss) before tax from discontinued operations	(2188.86)	383.77
Profit before tax	(2245.99)	319.86
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and impairment of property, plant and equipment	92.25	91.67
Net foreign exchange differences	(0.24)	(0.91)
Loss on disposal of property, plant and equipment		0.12
Finance costs (including fair value change in financial instruments)	48.90	0.41
Earlier Provision for Income Tax withdrawn	4.52	
Impairment of Non Current Asset held	0.28	9.36
<i>Working capital adjustments:</i>		
Movements in provisions, gratuity and government grants	(0.45)	(11.16)
Increase in trade and other receivables and prepayments	9.57	286.87
Decrease in inventories	0.07	4.15
Increase/(Decrease) in trade and other payables	3.72	(213.35)
(Increase)/Decrease in other Current Assets	1439.67	6.30
Increase/(Decrease) in Liabilities and Provisions	27.43	(609.53)
	(620.27)	(116.21)
Income Tax Paid		
<b>Net cash flows from operating activities</b>	(620.27)	(116.21)
<b>B INVESTING ACTIVITIES:</b>		
Purchase of investment properties	(0.18)	
Disposal of property, plant and equipment	3159.72	
Acquisition of a subsidiary, net of cash acquired	(0.10)	
<b>Net cash flows used in investing activities</b>	3159.44	



# W.S. INDUSTRIES (INDIA) LIMITED

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019 (Contd.) (in ₹ Million)

PARTICULARS	31 MARCH 2019	31 MARCH 2018
<b>C FINANCING ACTIVITIES:</b>		
Proceeds from exercise of share options	51.21	
Interest paid	(48.90)	(0.41)
Proceeds from borrowings		66.17
Repayment of borrowings	(2535.89)	
<b>Net cash flows from/(used in) financing activities</b>	<b>(2533.58)</b>	<b>65.76</b>
Net increase in cash and cash equivalents	5.58	(50.45)
Net foreign exchange difference	0.24	0.91
Cash and cash equivalents at the beginning of the year	14.37	63.91
<b>Cash and cash equivalents at year end</b>	<b>20.19</b>	<b>14.37</b>

### Notes on Statement of Cash Flow:

1 Above statement has been prepared following the Indirect method except in case of Interest received /Paid. Dividend Received/Paid , Purchase/ Sale of Investments, loans taken and repaid and Taxes Paid , which have been considered on the basis of actual movement of cash with necessary adjustments in corresponding assets and Liabilities.

2 Purchase of Fixed Assets are stated inclusive of movements of Capital Work-in-Progress between beginning and end of the year.

3 Cash and cash equivalents

Cash and Bank Balances	20.19	14.37
------------------------	-------	-------

Unrealised (Gain) / Loss		
--------------------------	--	--

Cash and Bank Balances restated as above	20.19	14.37
--	-------	-------

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

Place : Chennai  
Date : 30<sup>th</sup> May 2019

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary



## Notes forming part of the Balance Sheet as at 31<sup>st</sup> March 2019 and Statement of Profit and Loss for the period ended 31<sup>st</sup> March 2019

### NOTE

#### 1 SIGNIFICANT ACCOUNTING POLICIES

##### General

##### (a) Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017.

These financials statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

##### (b) Basis of Presentation

The Financial Statements have been prepared on the historical cost convention on a going concern basis and in accordance with Ind AS and complying with the applicable Accounting Standards.

##### (c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at acquisition/historical cost and include expenditure incurred up to the date the asset is put to use (as reduced by Cenvat/VAT credit wherever applicable) less accumulated depreciation (other than freehold land) and impairment loss, if any.

Depreciation on Building, Plant and Machinery and Electrical Installations has been provided on Straight Line Method and on other assets on Written Down Value basis in accordance with the rates prescribed under Part 'C' of Schedule II of the Companies Act 2013, which is also estimated by the management to be the estimated useful life of the said assets. Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

Cost of the Leasehold rights in land is amortised over the primary lease period.

Expenses incurred during the construction period prior to commencement of production are classified and disclosed under Capital Work-in-progress.

The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

The company has elected to continue with the carrying cost of all PPE as per previous GAAP as at 1<sup>st</sup> April 2016 (Transition date) as the deemed cost as on the transition date.

##### (d) Investments:

Investments in shares in Subsidiary and Associate Companies being long term in nature, are stated at acquisition cost. Current investments are valued at lower of Cost and Net Asset Value.

The company has elected to carry its investments in the Subsidiary at deemed cost, which is the previous GAAP carrying amount at the date of transition i.e as on 1<sup>st</sup> April 2016 (Opening).

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

---

### **(e) Current Assets:**

#### **Inventories**

- i. Raw materials, Packing materials and stores and spares (other than bonded materials) have been valued at weighted average cost and includes freight, taxes and duties, net of Cenvat/VAT credit, wherever applicable.
- ii. Bonded materials are valued at CIF value and Material in Transit at cost.
- iii. Work-in-progress has been valued at cost or Net Realisable Value, whichever is lower.
- iv. Finished Goods have been valued at cost or Net Realisable Value, whichever is lower and inclusive of Excise Duty.
- v. Raw Materials, packing materials, Stores and Spares, bonded materials, materials in transit, work-in-process and finished goods are as per inventories taken, valued as per the standard accounting practices and valuation policies followed by the Company.

#### **Others:**

Sundry Debtors are stated after providing for Bad Debts/recoveries.

### **(f) Foreign Currency transactions:**

Transactions in foreign exchange are accounted for at the rates prevailing on the dates of the transactions.

Exchange difference, arising on forward contracts, is recognized as income or expense.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the rate of exchange prevailing at the year end. The resultant difference, if any, is dealt with appropriately in the accounts in accordance with the Ind AS 21.

### **(g) Sales:**

Net Sales are after trade discounts and inclusive of price variation claims and Receipts from Turnkey Contracts.

### **(h) Retirement benefits:**

Fixed contributions to Employees' Provident Fund and Superannuation Fund are charged off in the accounts. Contribution to Gratuity is covered under a Master Policy with Life Insurance Corporation of India and the annual premium ascertained based on Actuarial valuation has been charged to Profit and Loss Account. Earned Leave salary to eligible employees as per Company's policy ascertained on actuarial basis has been provided for in the Accounts.

### **(i) Amortization of Deferred Revenue Expenditure:**

Expenditure incurred under Voluntary Retirement / settlements made are expensed during the year.

### **(j) Research & Development:**

Revenue expenditure on research and development are expensed in the year in which they are incurred. Capital expenditure on research and development is shown under fixed assets.



### **(k) Impairment of Assets**

Impairment loss, if any, is provided to the extent the carrying amount of the assets exceeds their recoverable amount.

### **(l) Deferred Tax:**

Deferred Tax is recognized on timing differences, being the difference between the carrying amount of an asset or liability in the balance sheet and its tax base that originate in one period and are capable of reversing in one or more subsequent periods. Deferred Tax assets are recognized only to the extent there is a virtual certainty of its realization.

### **(m) Lease & Rentals**

Receipts: Lease and rental receipts in respect of assets leased/rented out are accounted, in accordance with the terms and conditions of the lease/rental agreements entered into with the lessees/tenants and are in accordance with conditions specified in Ind AS 17.

Lease payments on assets taken on lease are recognized as an expense on a straight line basis over the lease term.

### **(n) Contingent Liability:**

Contingent Liability is disclosed for (i) Possible obligations where the probability of the final outcome in favour of the company is not certain, or (ii) Obligations likely to arise out of past events where it is unlikely that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

### **(o) Classification and measurement of financial assets:**

The company has evaluated the facts and circumstances existing on the date of transition to IND AS i.e as on 1<sup>st</sup> April 2016 (Opening) for the purpose of classification and measurement of financial assets and accordingly has classified and measured financial assets on the date of transition.

## **2 Operations review:**

- (a)** During the year under review, there was no production in the Chennai and Vizag plants.
- (b)** Prolonged soiling of facilities and records arising from the heavy rains and floods in Chennai in Nov. and Dec. 2015 has caused extensive and in many cases, irretrievable and beyond salvageable damage. The company is implementing back-up and repair actions with the limited financial and manpower resources available.
- (c)** i) The Company is in discussion and interaction with its financial institutions in connection with the re-establishment and long term stability and growth of the insulator manufacturing unit at Vishakapatnam and its Turnkey Project Business unit.  
ii) For this purpose, the Company is evaluating various steps including strategic partnership, implementation of own and contract manufacturing, product/unit portfolio rationalization, implementation of cost-efficiency and productivity measures and expansion of competency and scope in provision of integrated project solutions.

## **3 Segment**

The Company has two reportable business segments, namely, i) Electro – porcelain Products and ii) Turnkey Projects.

# W.S. INDUSTRIES (INDIA) LIMITED

NOTES FORMING PART OF BALANCE SHEET AS ON 31-MAR-2019

(in ₹ Million)

## NOTE 04

### Property, Plant and Equipment FY 2018-2019

	Gross Block				Accumulated Depreciation				NET BLOCK	
	Balance as at 1 <sup>st</sup> April 2018	Additions	Deletions	Balance as at 31 <sup>st</sup> March 2019	Balance as at 1 <sup>st</sup> April 2018	Depreciation charge for the year	Deletions	Balance as at 31 <sup>st</sup> March 2019	WDV as on 31 <sup>st</sup> March 2019	WDV as on 31 <sup>st</sup> March 2018
<b>1. Property, Plant and Equipment</b>										
Land	48.01			<b>48.01</b>	13.09	1.45		<b>14.54</b>	<b>33.47</b>	34.92
Buildings	439.27			<b>439.27</b>	140.50	12.59		<b>153.09</b>	<b>286.18</b>	298.77
Plant and Machinery including Electrical Installations	1010.67			<b>1010.67</b>	508.68	76.41		<b>585.09</b>	<b>425.58</b>	501.99
Furniture, Fixtures	9.68			<b>9.68</b>	7.79	0.94		<b>8.73</b>	<b>0.95</b>	1.90
Office Equipments	16.74			<b>16.74</b>	13.53	0.78		<b>14.31</b>	<b>2.43</b>	3.21
Vehicles	1.07			<b>1.07</b>	0.89	0.08		<b>0.97</b>	<b>0.10</b>	0.18
<b>Total</b>	<b>1525.44</b>			<b>1525.44</b>	<b>684.48</b>	<b>92.25</b>		<b>776.73</b>	<b>748.71</b>	<b>840.97</b>
<b>2 Capital Work In Progress</b>	7.04			<b>7.04</b>					<b>7.04</b>	<b>7.04</b>
<b>3 Non Current Assets held *</b>	676.48	0.18	374.19	<b>302.47</b>	8.01			<b>8.01</b>	<b>294.46</b>	668.46
<b>Grand Total</b>	<b>2208.96</b>	<b>0.18</b>	<b>374.19</b>	<b>1834.95</b>	<b>692.49</b>	<b>92.25</b>		<b>784.74</b>	<b>1050.21</b>	<b>1516.47</b>

\* Non Current Assets held pertains to Chennai Insulator Division which is being considered as discontinued operation.

### Property, Plant and Equipment FY 2017-2018

	Gross Block				Accumulated Depreciation				NET BLOCK	
	Balance as at 1 <sup>st</sup> April 2017	Additions	Deletions	Balance as at 31 <sup>st</sup> March 2018	Balance as at 1 <sup>st</sup> April 2017	Depreciation charge for the year	Deletions	Balance as at 31 <sup>st</sup> March 2018	WDV as on 31 <sup>st</sup> March 2018	WDV as on 31 <sup>st</sup> March 2017
<b>1. Property, Plant and Equipment</b>										
Land	48.01			48.01	11.64	1.45		13.09	34.92	36.37
Buildings	439.27			439.27	127.91	12.59		140.50	298.77	311.36
Plant and Machinery including Electrical Installations	1011.44		0.77	1010.67	433.03	76.41	0.75	508.69	501.99	578.42
Furniture, Fixtures	9.90		0.22	9.68	7.27	0.63	0.12	7.78	1.90	2.62
Office Equipments	16.74		0.01	16.73	13.00	0.53	0.01	13.53	3.21	3.74
Vehicles	1.08			1.08	0.84	0.05		0.89	0.18	0.24
<b>Total</b>	<b>1526.44</b>		<b>1.00</b>	<b>1525.44</b>	<b>593.69</b>	<b>91.66</b>	<b>0.88</b>	<b>684.48</b>	<b>840.97</b>	<b>932.75</b>
<b>2 Capital Work In Progress</b>	7.04			<b>7.04</b>					<b>7.04</b>	<b>7.04</b>
<b>3 Non Current Assets held *</b>	730.94	0.86	55.32	676.48	53.11	0.05	45.14	8.02	668.46	677.83
<b>Grand Total</b>	<b>2264.42</b>	<b>0.86</b>	<b>56.32</b>	<b>2208.96</b>	<b>646.80</b>	<b>91.71</b>	<b>46.02</b>	<b>692.50</b>	<b>1516.47</b>	<b>1617.62</b>

\* Non Current Assets held pertains to Chennai Insulator Division which is being considered as discontinued operation.

**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NON CURRENT ASSETS</b>		
<b>NOTE 05</b>		
<b>INVESTMENT</b>		
<b>Non Current</b>		
Unquoted -Investment in Equity Instruments		
- 50100 Equity Shares of face value of Rs. 10/- each in W.S.T & D Ltd.	0.50	0.50
- 10000 Equity Shares of face value of Rs. 10/- each in Vidagara Tech Park Private Limited	0.10	
<b>Total</b>	<u>0.60</u>	<u>0.50</u>
<b>NOTE 06</b>		
<b>OTHER NON CURRENT ASSETS</b>		
(1) Advances Other than Capital Advances		
Deposits	0.98	3.52
(2) Others (Specify nature)		
Prepaid Expenses	0.40	0.24
<b>Total</b>	<u>1.38</u>	<u>3.76</u>
<b>CURRENT ASSETS</b>		
<b>NOTE 07</b>		
<b>INVENTORIES</b>		
(a) Raw Materials	1.52	1.60
(b) Work-in-Process	5.50	5.50
(c) Finished Goods	3.68	3.68
(d) Stores/Spares (including coal, fuel and packing materials)	0.73	0.73
<b>Total</b>	<u>11.43</u>	<u>11.51</u>
For method of Valuation, please refer Note No. 1(e)		

# W.S. INDUSTRIES (INDIA) LIMITED

NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 08</b>		
<b>TRADE RECEIVABLES</b>		
<b>Current</b>		
<b>Trade Receivables</b>		
i) Considered Good - Secured		
ii) Considered Good -Unsecured	<b>18.68</b>	28.25
iii) Which have significant increase in Credit Risk		
iv) Credit impaired		
<b>Total</b>	<b>18.68</b>	28.25
<b>NOTE 09</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
(a) Balances with Banks	<b>3.74</b>	14.36
(b) Cash on hand	<b>0.14</b>	0.01
(c) Deposits with bank	<b>16.31</b>	
<b>Total</b>	<b>20.19</b>	14.37
<b>NOTE 10</b>		
<b>CURRENT TAX ASSETS AND LIABILITIES</b>		
<b>Current Tax Assets</b>		
Tax deducted at source	<b>31.79</b>	11.27
<b>Total</b>	<b>31.79</b>	11.27
<b>Current Tax Liabilities</b>		
Income Tax (Net of Payments)		4.08
<b>Total</b>		4.08
<b>NOTE 11</b>		
<b>OTHER CURRENT ASSETS</b>		
a. Advances Other than Capital Advances		
Deposits	<b>14.64</b>	15.38
b. Receivables from Related Parties		520.41
c. Others (Specify nature)		
a) Prepaid Expenses	<b>0.68</b>	1.08
b) Others	<b>33.02</b>	969.27
<b>Total</b>	<b>48.34</b>	1506.14



**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

**NOTE 12**

**EQUITY SHARE CAPITAL**

**Note: A**

Particulars	As on 31 March 2019		As on 31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	<b>35000000</b>	<b>350.00</b>	35000000	350.00
Cumulative Redeemable Preference Shares of ₹ 100 each	<b>1500000</b>	<b>150.00</b>	1500000	150.00
<b>Issued</b>				
Equity Shares of ₹ 10 each	<b>26260607</b>	<b>262.61</b>	21139789	211.40
Cumulative Redeemable Preference Shares of ₹ 100 each	<b>1275000</b>	<b>127.50</b>	1275000	127.50
<b>Subscribed &amp; Paid Up</b>				
Equity Shares of ₹ 10 each	<b>26260607</b>	<b>262.61</b>	21139789	211.40
Cumulative Redeemable Preference Shares of ₹ 100 each	<b>1275000</b>	<b>127.50</b>	1275000	127.50

**Note: B Shareholders holding more than 5% of the shares**

Name of Shareholders	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
W.S. International (P) Ltd.	<b>1874657</b>	<b>7%</b>	1119798	5%
Blue Chip Investments (P) Ltd.	<b>4096138</b>	<b>16%</b>	4096138	19%
Earc SAF 1 Trust	<b>2434358</b>	<b>9%</b>		
Edelweiss Asset Reconstruction Company Limited	<b>1901268</b>	<b>7%</b>		
East Sail			1985577	9%



# W.S. INDUSTRIES (INDIA) LIMITED

NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 13</b>		
<b>OTHER EQUITIES</b>		
<b>RESERVES AND SURPLUS</b>		
a) Capital Reserve	<b>3169.67</b>	9.95
b) Share Premium	<b>180.50</b>	180.50
c) Revaluation Reserve	<b>290.21</b>	664.11
d) Revaluation Reserve - IND AS	<b>(2.02)</b>	(2.02)
e) Capital Redemption Reserve	<b>176.16</b>	176.16
f) Special General Reserve	<b>25.81</b>	25.81
g) Retained earnings	<b>(4347.16)</b>	(2105.68)
<b>Total</b>	<b>(506.83)</b>	(1051.17)
<b>RETAINED EARNINGS</b>		
Balance at beginning of Year	<b>(2105.69)</b>	(2425.54)
Profit for the Year	<b>(2241.46)</b>	319.85
<b>Balance at end of Year</b>	<b>(4347.15)</b>	(2105.69)

## 13.1 Description of nature and purpose of Reserve:

- (i) Capital Reserve represents gain of a capital nature. It can be used in writing off the capital losses from sale of fixed assets, shares & debentures and issue of fully paid up bonus shares to existing shareholders. Capital Reserve is not available for distribution to shareholders as dividend.
- (ii) Share Premium records the premium component on issue of shares and can be utilised only in accordance with the provisions of Companies Act, 2013.
- (iii) Revaluation Reserve is the reserve which is created when any Fixed Asset / Non Current Asset (As per Ind AS) is revalued. It cannot be utilised for the purpose of issue of fully paid up bonus shares or write off of capital losses, unless the revalued fixed assets have been disposed off.
- (iv) Capital redemption reserve is transferred from undistributed profits i.e. general reserves, profit or loss account. It can be utilized for the purpose of buy back of shares, incremental effect of fresh equity shares or preference shares issued to redeem the old preference shares, issuing fully paid bonus shares and not available for distribution to shareholders as dividend.
- (v) Special General reserve is created for specific purposes. It can be utilized only for the purpose for which it has been created and cannot be utilized for other purposes and not available for distribution to shareholders as dividend.

**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NON CURRENT LIABILITIES</b>		
<b>NOTE 14</b>		
<b>PREFERENCE SHARE CAPITAL</b>		
<b>Non Current</b>		
<b>Unsecured</b>		
1275000 Cumulative Redeemable Preference Shares of Rs. 100/- each fully paid - up	<b>127.50</b>	127.50
<b>Total</b>	<b>127.50</b>	127.50

**Note: Shareholders holding more than 5% of the shares**

Name of Shareholders	Preference Shares			
	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vensunar Holdings (P) Ltd.	<b>925000</b>	<b>73%</b>	925000	73%
Vensunar (P) Ltd.	<b>350000</b>	<b>27%</b>	350000	27%

The 925000 Non-convertible, Redeemable and cumulative Preference Shares of Rs.100/- each fully paid up with coupon rate of 5% / 7.5% subscribed by Vensunar Holdings (P) Ltd. and due for redemption on 30<sup>th</sup> Sept. 2018 has been extended by the above shareholder for a further period of 12 months, i.e., upto 30<sup>th</sup> Sept. 2019.

350000 Non-convertible, Redeemable and cumulative Preference Shares Rs. 100/- each fully paid up with a coupon rate of 10% subscribed by Vensunar (P) Ltd. which are due for redemption on 28<sup>th</sup> Feb. 2019 has been extended by the above shareholder for a further period of 18 months, i.e., upto 31<sup>st</sup> Aug. 2020.

# W.S. INDUSTRIES (INDIA) LIMITED

NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 15</b>		
<b>BORROWINGS</b>		
<b>Current</b>		
<b>Unsecured</b>		
Loan from Others	54.60	150.70
<b>Secured</b>		
<b>Loan repayable on demand</b>		
Working capital borrowing from banks		24.98
<b>Total</b>	<u>54.60</u>	<u>175.68</u>
<b>NOTE 16</b>		
<b>TRADE PAYABLES</b>		
<b>Current</b>		
Trade Payables		
a) Total outstanding dues of Micro and Small enterprises		
b) Total outstanding dues of Creditors other than the above	285.31	281.59
<b>Total</b>	<u>285.31</u>	<u>281.59</u>
<b>CURRENT LIABILITIES</b>		
<b>NOTE 17</b>		
<b>OTHER FINANCIAL LIABILITIES</b>		
Current Maturities of Long-term borrowings *	719.12	2754.25
Interest accrued but not due on loans	1.79	0.53
Interest accrued and due on loans @	132.70	430.35
Interest accrued and due on NCDs		83.31
<b>Total</b>	<u>853.61</u>	<u>3268.44</u>

\* Period and amount of dues: ₹ 719.13 Million has fallen due on or before 31<sup>st</sup> March 2016

@ Period and amount of dues: ₹ 132.70 Million has fallen due on or before 31<sup>st</sup> March 2016

The above Long Term Loans are secured by the :

First charge on the company's immovable and movable fixed assets, present and future, as set out hereunder:

- Security has been created on NCD of ₹ 20 million in favour of IDBI Trusteeship Services Limited on behalf of the Debentureholders and in favour of Allium Finance Ltd. and Edelweiss Asset Reconstruction Company Ltd. for the Term Loans aggregating to ₹ 147.64 million on



## NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

the block assets of the company situated at the Vizag Plant and on 2.91 acres of land situated at Porur, Chennai and in respect of vacant land of the Company admeasuring 2.214 acres situated at Sedarpet Village, Pondicherry on pari passu basis among these lenders and pledge of 29,70,000 equity shares of the Promoters.

- ii) Security Receipts of ₹ 59.48 million classified as Term Loan from other than Banks are secured by Block Assets of the company situated at Chennai except for 7.34 acres of land and also secured by block assets of the company situated at Vizag.
- iii) For the facilities assigned by Punjab National Bank and Indian Overseas Bank, for ₹ 492.01 million in favour of Edelweiss Asset Reconstruction Company Ltd., Term Loans are secured by the first charge on the Block Assets of the Company situated at the Chennai Plant except to the extent of 7.34 Acres of land on paripassu basis and in respect of vacant land of the company situated at Sedarpet Village, Pondicherry and Working Capital loans are secured primarily by a first charge on the current assets of the company and further secured by a second charge on the Fixed Assets of the company excluding specific charges and in respect of vacant land of the company situated at Sedarpet Village, Pondicherry on paripassu basis.

### Terms of Repayment

The facilities extended to the company have been declared as Non-performing Assets with the respective Banks/ Financial Institutions. (in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 18</b>		
<b>PROVISIONS</b>		
<b>Current</b>		
<b>Employee Benefits</b>		
Provision for Employee Benefits	0.43	0.89
<b>Total</b>	<u>0.43</u>	<u>0.89</u>
<b>NOTE 19</b>		
<b>OTHER CURRENT LIABILITIES</b>		
<b>Other Payables</b>		
a) Liabilities-Expenses	41.20	39.26
b) Other Liabilities	54.19	24.62
c) Refundable Deposit	10.00	10.00
<b>Total</b>	<u>105.39</u>	<u>73.88</u>

# W.S. INDUSTRIES (INDIA) LIMITED

NOTES TO STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019 (in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 20</b>		
<b>REVENUE FROM OPERATION</b>		
<b>(a) Sales of Products</b>		
Insulator Products		
Turnkey Products		
<b>Total (Gross)</b>		
<b>(b) Other Operating Revenues</b>		
Sale of Scrap and others	<b>3.26</b>	22.54
	<b>3.26</b>	22.54
<b>Add: Excise Duty on</b>		
Sales		
Total (Gross)	<b>3.26</b>	22.54
<b>Total</b>	<b>3.26</b>	22.54
<b>NOTE 21</b>		
<b>OTHER INCOME</b>		
Other Receipts	<b>0.06</b>	0.14
Income/Loan Waiver	<b>93.41</b>	
Liabilities written back		11.51
Gain/(Loss) on financial assets carried at FVTPL	<b>(0.05)</b>	0.02
<b>Total</b>	<b>93.42</b>	11.67
<b>NOTE 22</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Clays and Minerals	<b>0.08</b>	1.21
Others		0.01
<b>Total</b>	<b>0.08</b>	1.22
<b>NOTE 23</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS</b>		
<b>Opening Stock :</b>		
Work-in-Process	<b>5.50</b>	5.50
Finished Goods	<b>0.75</b>	0.85
<b>Sub Total</b>	<b>6.25</b>	6.35
<b>Closing Stock :</b>		
Work-in-Process	<b>5.50</b>	5.50
Finished Goods	<b>0.75</b>	0.75
Sub Total	<b>6.25</b>	6.25
<b>Total (Increase)/Decrease in stock</b>		0.10



**NOTES TO STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019** (in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 24</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Settlement	2.91	2.88
Contribution to PF, ESI, Gratuity, etc.	0.02	0.02
Welfare Expenses	0.10	0.09
<b>Total</b>	<b>3.03</b>	<b>2.99</b>
<b>NOTE 25</b>		
<b>FINANCE COSTS</b>		
Interest Expense	48.89	0.40
Bank Charges	0.01	0.01
Net (gain) / loss on foreign currency transactions	(0.24)	(0.91)
<b>Total</b>	<b>48.66</b>	<b>(0.50)</b>
<b>NOTE 26</b>		
<b>OTHER EXPENSES</b>		
Consumption of Stores and Spares	0.05	0.05
Power and Fuel	0.90	0.85
Rates and Taxes	2.65	2.66
Insurance	0.19	1.41
Repairs and Maintenance:		
Building	0.09	
Plant & Machinery	0.19	0.08
Other Assets	0.12	0.32
Travelling and Conveyance	0.93	0.94
Security Services	1.59	1.73
Subcontract Charges	0.08	0.84
Recovery Supply Bills	0.73	
Rent Office	0.48	0.46
Legal fees & Expenses		0.01
Consultants Fees	1.80	3.35
Others	(0.02)	(10.04)
<b>Total</b>	<b>9.78</b>	<b>2.66</b>
<b>NOTE 27</b>		
<b>DISCONTINUED OPERATIONS</b>		
Revenue *	317.61	548.46
Expenses *	(2364.79)	(154.43)
Finance Cost *	(141.68)	(10.26)
Profit / (Loss) before tax from a discontinued operation	<b>(2188.86)</b>	<b>383.77</b>
* Chennai Insulator Division is being considered as discontinued operations		

## W.S. INDUSTRIES (INDIA) LIMITED

### NOTE 28

#### I Disclosure of Fair value Measurements

##### (a) Financial Instruments by category:-

The following table provides categorization of all financial instruments (in ₹ Million)

Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying Amount	Fair Value
As at 31-03-2019					
<b>Financial Assets</b>					
Investments			0.60	0.60	0.60
Trade Receivables	18.68			18.68	18.68
Cash and Cash Equivalents	20.19			20.19	20.19
<b>Financial Liabilities</b>					
Borrowings	54.60			54.60	54.60
Preference Share Capital	127.50			127.50	127.50
Trade Payables	285.31			285.31	285.31
Other financial liabilities	853.61			853.61	853.61
As at 31-03-2018					
<b>Financial Assets</b>					
Investments			0.50	0.50	0.50
Trade Receivables	28.25			28.25	28.25
Cash and Cash Equivalents	14.37			14.37	14.37
<b>Financial Liabilities</b>					
Borrowings	175.68			175.68	175.68
Preference Share Capital	127.50			127.50	127.50
Trade Payables	281.59			281.59	281.59
Other financial liabilities	3268.43			3268.43	3268.43

##### (b) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by Valuation technique:

Level 1: Quoted (Unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.



The details of financial instruments that are measured at fair value on recurring basis are given below:

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Instruments at FVTOCI</b>				
<b>Investment in unlisted equity securities</b>				
As at 31-03-2019			0.60	0.60
As at 31-03-2018			0.50	0.50

### Valuation technique used to determine the fair value

The significant inputs used in the fair value measurement categorized within the fair value hierarchy are given below:

Nature of Financial Instruments	Valuation technique	Remarks
Investment in Unlisted securities	At Book Value	Since it is a subsidiary, carried at cost

## II Financial Risk Management

The Board of Directors (BOD) has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risk faced by the Company. Risk Management systems are reviewed by the BOD periodically to reflect changes in market conditions and the Company's activities. The Company through its training and management standards and procedures develop a disciplined and constructive controlled environment. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

The company has the following financial risks:

Categories of Risk	Nature of Risk
<b>Credit Risk</b>	Receivables
	Financial Instruments and cash deposits
<b>Liquidity Risk</b>	Fund Management
<b>Market Risk</b>	Foreign Currency Risk
	Cash flow and fair value interest rate risk

The Board of Directors regularly reviews these risks and approves the risk management policies, which covers the management of these risks:

### 1. Credit Risk

Credit Risk is the risk of financial loss to the Company if the customer or counterparty to the financial instruments fails to meet its contractual obligations and arises principally from the Company's receivables, treasury operations and other operations that are in the nature of lease.



## W.S. INDUSTRIES (INDIA) LIMITED

### a) Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company extended credit to its customers in the normal course of business by considering the factors such as financial reliability of customers. The Company evaluates the concentration of the risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. In case of Corporate / Export Customer, credit risks are mitigated by way of enforceable securities. However, unsecured credits are extended based on creditworthiness of the customers on case to case basis.

### b) Financial Instruments and Cash deposits

Investments are made only with the approved counterparties. The Company places its cash equivalents based on the creditworthiness of the financial institutions.

## 2. Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements.

### Maturities of Financial Liabilities

(in ₹ Million)

Nature of Financial Liability	< 1 Year	1-5 Years	> 5 Years	Total
<b>As at 31-03-2019</b>				
Borrowing from Banks				
Trade payable	285.31			285.31
Other financial Liability	908.21			908.21
<b>As at 31-03-2018</b>				
Borrowing from Banks	24.98			24.98
Trade payable	281.59			281.59
Other financial Liability	3419.13			3419.13

## 3. Market Risk

### a) Foreign Currency Risk

The Company's exposure in foreign currency denominated transactions in connection with import of raw materials, capital goods & spares, besides exports of finished goods in foreign currency, gives rise to exchange rate fluctuation risk. The Company has following policies to mitigate this risk:

Decisions regarding borrowing in Foreign Currency and hedging thereof, and the quantum of coverage is driven by the necessity to keep the cost comparable. Foreign Currency loans, imports and exports transactions are hedged by way of forward contract after taking into consideration the anticipated Foreign exchange inflows/ outflows, timing of cash flows, tenure of the forward contract and prevailing Foreign exchange market conditions.



**The company's exposure to foreign currency risk (Un-hedged) as detailed below:**

Currency	Trade Payables	Trade and other Receivables	Balance with Banks
<b>In USD</b>			
As at 31-03-2019	484774	15390	
As at 31-03-2018	484774	15390	
<b>In EURO</b>			
As at 31-03-2019	53969	(175641)	
As at 31-03-2018	53969	(175641)	
<b>In GBP</b>			
As at 31-03-2019	14407		
As at 31-03-2018	14407		

**Risk sensitivity on foreign currency fluctuation**

Foreign Currency	31-03-2019		31-03-2018	
	3% Increase	3% Decrease	3% Increase	3% Decrease
USD	483465	455302	483465	455302
EURO	236498	222722	236498	222722
GBP	14839	13975	14839	13975

**b) Cash flow and fair value interest rate risk**

Interest rate risk arises from short term borrowings with variable rates which exposed the Company to cash flow interest rate risk. The Company constantly monitors credit markets to strategize a well-balanced maturity profile in order to reduce both the risk of refinancing and large fluctuations of its financing cost.

However the facilities extended to the Company have been declared as Non Performing Assets with the respective Banks / financial institutions as referred in Note No.49.

**III Capital Management**

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the Shareholders' wealth. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants.

However, the accumulated lossess of the company are more than its net worth and the company had been referred to BIFR. The Company is in consultation with financial institutions for its revival plan.

# W.S. INDUSTRIES (INDIA) LIMITED

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 29</b>		
<b>CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR</b>		
I Contingent Liabilities		
(a) Guarantees	15.48	27.91
(b) Corporate Guarantees issued	1.26	1.26
(c) Arrears of dividend on Cumulative redeemable Preference Shares	97.10	84.52
(d) Labour Disputes	13.60	13.60
(e) Additional Demand for Panchayat Licence Fees	0.30	0.30
(f) Liability on account of Negative Net Foreign Exchange	118.99	
II Commitments		
Due to the strained financial position of the company, individual settlements with the workers have been initiated. Settlement to the remaining workers on similar basis amounts to -		1.04
<b>NOTE 30</b>		
<b>PAYMENT TO AUDITOR</b>		
<b>As auditor:</b>		
Audit Fee	0.30	0.30
Tax Audit Fee	0.02	0.02
Limited Review	0.01	0.02
<b>In other capacity:</b>		
Other services (Certification Fees)	0.12	0.01
	<u>0.45</u>	<u>0.35</u>

## NOTE 31

Value of imports on CIF basis  
(including Materials in transit)  
Raw Materials  
Components and Spare Parts

## NOTE 32

Value of Raw Materials (including Components) and Stores/Spare Parts consumed

	31 MARCH 2019		31 MARCH 2018	
i) RAW MATERIALS				
Imported	0.07	87%	1.19	98%
Indigenous	0.01	13%	0.02	2%
	<u>0.08</u>	<u>100%</u>	<u>1.21</u>	<u>100%</u>
ii) STORES/SPARE PARTS				
Imported			0.45	100%
Indigenous			0.45	100%



---

(in ₹ Million)

---

31 MARCH 2019

31 MARCH 2018

---

**NOTE 33**

**AMOUNTS REMITTED IN FOREIGN CURRENCIES:**

Others

**NOTE 34**

**EARNINGS IN FOREIGN EXCHANGE**

Physical Exports

**NOTE 35**

**EMPLOYEE COST INCLUDES:**

(a) Research and Development:

- (i) Salaries and Wages
- (ii) Contribution to Provident Fund

(b) Repairs and Maintenance:

- (i) Salaries and Wages
- (ii) Contribution to Provident Fund

**NOTE 36**

The status of the case as reported last year filed by M/s. Pragathi Fabricators in the City Civil Court remains unchanged. The petition filed by M/s. Pragathi Fabricators seeking for additional deposit by the company was dismissed by the XXV Additional Chief Judge, City Civil Court, Hyderabad which has since been appealed in the High Court.

**NOTE 37**

The matter pertaining to the summary suit filed by Balaji Electrical Insulators P Ltd before the Civil Judge Ahmedabad, Mirzapur is pending before the said court.

**NOTE 38**

Roto Pumps Ltd., a supplier has filed a summary suit before the Civil Court, Noida, for recovery of amounts due to them and the Company has taken steps to defend the same.

**NOTE 39**

The District Revenue Officer of Thiruvallur District had passed orders with reference to change in patta pertaining to certain lands owned by the Company (as reported last year). The matter underwent several rounds of litigations and is currently before the Hon'ble Supreme Court of India which has ordered 'status quo ante'.

**NOTE 40**

Further to the order of the Hon'ble Madras High Court, the Taxation Appellant Tribunal, Chennai heard the appeal of the Company against the retrospective increase in the levy of Corporation Tax and passed orders giving the Company some relief through re-assessment. The Company is taking steps to implement the same.

# W.S. INDUSTRIES (INDIA) LIMITED

## NOTE 41

### SEGMENT DISCLOSURE

#### A. PRIMARY SEGMENT INFORMATION

(in ₹ Million)

Particulars	Electro-porcelain Products	Turnkey Projects	Total	Electro-porcelain Products	Turnkey Projects	Total
	2018 - 19			2017 - 18		
<b>1 REVENUE</b>						
Gross Sales	3.26		3.26	22.54		22.54
Less: Excise Duty						
Net Sales	3.26		3.26	22.54		22.54
<b>2 RESULT</b>						
Segment result - EBIT	(96.18)	(5.71)	(101.89)	(66.63)	(9.45)	(76.08)
Finance Charges (Net)			(48.66)			0.50
Other Income			93.42			11.67
Profit on sale of fixed assets (Net)						
Income Tax						
<b>Profit / (Loss) from Continuing Operations</b>			(57.13)			(63.91)
Profit / (Loss) from Discontinued Operations			(2184.34)			383.77
<b>Net Profit / (Loss) for the period</b>			(2241.47)			319.85
<b>3 Other Information</b>						
Segment Assets	724.40	61.46	785.86	824.56	63.19	887.76
Unallocated Corporate Assets			102.30			1536.05
Non Current Assets held			294.46			668.46
<b>Total Assets</b>			1182.62			3092.27
Segment Liabilities	282.12	3.19	285.31	278.09	3.50	281.59
Unallocated Corporate Liabilities			1014.04			3522.96
<b>Total Liabilities</b>			1299.35			3804.55
Capital expenditure			0.18	0.86		0.86
Depreciation	92.16	0.09	92.25	91.61	0.06	91.67
Non-cash expenses other than depreciation						
<b>B. SECONDARY SEGMENT INFORMATION</b>						
<b>Revenue by Geographical Market</b>						
India	3.26		3.26	22.54		22.54
Rest of the World						
<b>Total</b>	3.26		3.26	22.54		22.54

#### Notes to Segment Reporting

##### 1 Business Segments:

The Company has considered business segment as the primary segment for disclosure. The business segments are: Electro-porcelain products and Turnkey Projects.



2 Geographical Segments:

The geographical segments considered for disclosure are: India and Rest of the world.

3 Segmental assets includes all operating assets used by respective segment and consists principally of operating Debtors, Inventories and Fixed Assets net of allowances and provisions.

Segmental liabilities include all operating liabilities and consist primarily of Creditors and accrued liabilities.

Segment assets and liabilities do not include income tax assets and liabilities.

**NOTE 42**

Contribution to Gratuity is covered under a Master Policy with Life Insurance Corporation of India and the liability ascertained based on the actuals has been charged to Profit and Loss Account.

**NOTE 43**

**Disclosure of Related Party transactions, as required under Indian Accounting Standard (IndAS 24) of The Companies (Indian Accounting Standards) Rules, 2015:**

(a) List of Related Parties :

Subsidiary Company
W.S.T & D Limited
VIDAGARA TECH PARK PRIVATE LIMITED

(b) Transactions with Related parties : (in ₹ Millions)

	<b>Subsidiary Companies</b>
On account of assignment of liability of subsidiary	40.00
Unsecured Loan - Due from subsidiary	560.41
Sale of land	3160.00
Assignment of loan due by Holding company to Subsidiary Company	3124.67
Receipt against sale of land	3.73
Subscription to Compulsorily Convertible Debentures	560.41
Subscription to Equity Shares	0.10
<b>Balance as on 31 03 2019:</b>	
Receivable / Payable	

(c) Remuneration to Managing Directors / Wholetime Director

NIL

**NOTE 44**

The stock of inventory could not be physically verified during the year due to reasons indicated in Note 2. However the movement of materials is negligible after the last verification which was done in March 2015.

**NOTE 45**

Confirmation of balances from suppliers and customers could not be carried out for the period under review for the reasons indicated in Note 2.

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

---

### **NOTE 46**

No Interest has been provided on the financial facilities availed from the financial institutions since the company will be seeking reliefs as part of the revival scheme eventually to be finalised. The outstanding amounts as on 31<sup>st</sup> March 2018 has been indicated to the company.

### **NOTE 47**

The disclosure as required under Ind-AS 19 – Employee Benefits has not been made for the period ended 31<sup>st</sup> March 2019 since actual liability has been provided for based on the settlements entered into with the employees.

### **NOTE 48**

The status regarding trespass in part of the premises of the factory at Chennai remains unchanged; continuing complaints to the appropriate authorities are being filed and the situation carefully monitored. The Company is pursuing all legal remedies.

### **NOTE 49**

The Company is in discussions with Allium Finance Private Limited, IDBI Trusteeship Services Limited, and Edelweiss Asset Reconstruction Company Limited to find a resolution to the outstanding loan liabilities with them and arising from the non completion of the settlement agreements signed with them on 12<sup>th</sup> April 2018.

### **NOTE 50**

The Company has implemented settlements with the workers / executives both at Chennai and Vizag plants.

### **NOTE 51**

The Company has identified its Chennai Unit under Ind AS 105 and accordingly adjustments are shown separately in the statement of profit and loss.

### **NOTE 52**

Revenue from operations for periods upto June 30, 2017 includes excise duty, which is discontinued effective July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'IND AS 18, Revenue', GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and year ended March 31,2019 are not comparable with the previous periods.

### **NOTE 53**

Arbitration against TNEB on a contract: The Company had preferred an appeal under Section 37 of the Arbitration & Conciliation Act 1996, challenging the single Judge Order. It is now remanded back to the Single Judge to look into the Order passed in the light of the earlier Division Bench judgment.

### **NOTE 54**

The City Civil Court, Chennai VIII Assistant Judge passed an order in the matter of the legal dispute with M/s. Raj Enterprises against which the Company has gone on an appeal.



---

**NOTE 55**

Application under Section 19 (4) of the Recovery of Debts Due to Banks & Financial Institutions Act 1993 was filed by Edelweiss Asset Reconstruction Company Limited on behalf of Punjab National Bank, before DRT II, Chennai where company was one of the respondents. The matter is pending.

**NOTE 56**

The Company has filed a petition before Principal Labour Court, Chennai seeking relief against the order passed by the Deputy Director, Employee State Insurance Corporation, Chennai for the additional contribution of ₹ 0.61 million. The matter is pending.

**NOTE 57**

Matter pertaining to a claim amounting to ₹ 1.19 million under provident fund is pending before the Central Government Industrial Tribunal (CGIT) cum Labour Court, Chennai.

**NOTE 58**

The Company was successful in the case before the Principal Judge, Junior Civil courts, Visakhapatnam against M/s. Union Roadways Ltd, Vizag who filed an appeal before the Hon'ble Court of XI Additional District Judge at Visakhapatnam.

**NOTE 59**

Legal dispute with one of the suppliers, M/s. Savani Transport (P) Ltd, Vizag is pending before Senior civil Judge, Senior Civil Court, Visakhapatnam.

**NOTE 60**

The Company has executed various agreements with Edelweiss Asset Reconstruction Company Limited, Allium Finance Ltd and Debenture holders of the Company for the settlement of dues (with an initial payment including ₹ 220 millions part payment towards redemption of debentures as below) over a specified period of time along with an specified amount to continue as "Restructured Debt" secured by plant and machinery and all other assets and properties of the Vizag Unit on a pari passu basis and for the withdrawal of all disputes and proceedings before various forums between the Company and the above parties. Therefore the company has partly redeemed Non Convertible Debentures on face value basis to the extent of ₹ 220 millions along with agreed interest thereon. As disclosed on 14<sup>th</sup> August 2018 in Q1 results, the Company has entered into various agreements with Edelweiss Asset Reconstruction Company Limited, Allium Finance Ltd and Debenture holders of the Company which have not yet been completed in full. The Company is now in discussions with these entities to find a solution.

**NOTE 61**

The Company has completed the resolution of dispute with Comfortable Abode Private Limited (formerly Mantri Premier Homes Private Limited) and Mantri Developers Private Limited which included cancellation of all the agreements entered into with them and for the withdrawal of all disputes and proceedings before various forums between the Company and the aforesaid entities.



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

---

### **NOTE 62**

Profit / (Loss) Statement reflects the consequence of cancellation of the agreements with Comfortable Abode Private Limited (formerly Mantri Premier Homes Private Limited) and Mantri Developers Private Limited also thereby releasing the charge on land charged to them.

### **NOTE 63**

The Company has entered into a one time settlement with State Bank of India.

### **NOTE 64**

The Company has availed financing facility of ₹ 3124.67 millions (“Loans”) to finance the various settlement amounts as indicated above. During the year this loan and the liability arising thereon, has been assigned to its subsidiary M/s. W.S. T&D Limited as a part of sale consideration of 16.40 acres of land at Chennai.

### **NOTE 65**

The Company has created mortgage of land belonging to the company admeasuring 16.40 acres situated at Porur Village, Maduravoyal Taluk, Thiruvallur District to secure the aforesaid financing facility. The same has been satisfied.

### **NOTE 66**

The Sale Deed pertaining to the transfer of the land and the Deed of Mortgage related to the assignment of loan are pending with the Sub Registrar.

### **NOTE 67**

Other Income includes Income arising from waiver of loan as per settlement agreement with Edelweiss and SBI.

### **NOTE 68**

The Share Capital of the company has increased to ₹ 262.61 millions, consequent to allotment of 5120818 Equity Shares on preferential basis to the respective trusts of Edelweiss Asset Reconstruction Company Limited.

### **NOTE 69**

Tax expense of discontinuing operations pertains to earlier provision of Income Tax withdrawn.

### **NOTE 70**

The Board in its meeting on 29<sup>th</sup> Nov. 2018 decided to close the factory at Porur, Chennai with effect from close of business hours on 29<sup>th</sup> Nov. 2018 , arising from the continuing suspension of production and settlement of the workforce, and the factory was closed accordingly.

### **NOTE 71**

During the year the existing loan/ receivable of ₹ 560.41 millions due from the subsidiary viz., W.S.T & D Limited has been converted into Compulsorily Convertible Debentures, which has subsequently been disposed off.



---

**NOTE 72**

Consequent to the approvals and regulatory clearances from shareholders and other statutory authorities, 16.40 acres of land at Chennai has been transferred to its subsidiary M/s. W.S. T&D Limited for a total consideration of ₹ 3160.00 millions.

**NOTE 73**

The Company has made a payment of ₹ 0.10 millions towards the acquisition of 10,000 equity shares having face value of ₹ 10 each fully paid of M/s. Vidagara Tech Park Private Limited which has become 100% wholly owned subsidiary of the Company.

**NOTE 74**

With reference to SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dt. 26 11 2018, on “Fund raising by issuance of Debt Securities by Large Entities”, the company does not fall under the Large Corporate category.

The Company’s shares are listed in Mumbai and National Stock Exchanges. The listing fees there against have been paid up to date.

Figures have been regrouped/reclassified wherever necessary, to conform to this year’s classifications.

---

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568  
Place : Chennai  
Date : 30<sup>th</sup> May 2019

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary

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

---

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **W.S. INDUSTRIES (INDIA) LIMITED**

### **Report on the Audit of the Consolidated financial statements**

#### **Qualified Opinion**

We have audited the accompanying Consolidated Ind AS financial statements of **W.S. INDUSTRIES (INDIA) LIMITED** (herein after referred to as the "**Holding Company**") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "**Group**"), which comprise the consolidated balance sheet as at March 31, 2019, the consolidated statement of Profit and Loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of matter given in basis for qualified opinion paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Qualified Opinion**

- The company's net worth has been completely eroded. The accumulated losses in the reporting year, amounts to Rs.4374.59 millions (Previous year Rs.2132.45 millions) and turnover during the period ended 31<sup>st</sup>March, 2019 is Rs. 7.26 millions (previous year Rs.25.28 millions).

In view of the above, we are unable to comment on the ability of the company to continue as a going concern as per SA 570.

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.



Key audit matters	Response to Key Audit Matters & Conclusion
<b>Holding company:</b>	
<p>1. The company has outstanding liabilities of Rs.851.83 millions to Allium Finance Private Limited, IDBI Trusteeship Services Limited and Edelweiss Asset Reconstruction Company Limited.</p>	<p>The company is in discussion with Allium Finance Private Limited, IDBI Trusteeship services Limited, and Edelweiss Asset Reconstruction Company Limited to find a resolution to the outstanding loan liabilities with them and arising from the noncompletion of the settlement agreements signed with them on 12<sup>th</sup> April, 2018</p>
<p>2. Company's share capital has increased from Rs.211.40 millions to Rs.262.61 millions.</p>	<p>The Share capital of the company has increased to Rs.262.61 millions consequent to allotment of 5120818 equity shares on a preferential basis to the respective trust of Edelweiss asset reconstruction company Limited.</p>
<p>3. Company has incurred a Loss of Rs.559.91 millions from the sale of compulsorily convertible debentures.</p>	<p>The sale/transfer of the compulsorily convertible debenture in its subsidiary was based on the valuation conducted as per prescribed guidelines. Loss arising thereon of Rs.559.91 millions has been included as loss, in loss from discontinued operations.</p>
<p>4. Sale of land to subsidiary company (M/s W.S. T&amp;D LTD)</p> <p>During the year, the company has sold an immovable property measuring 16.40 acres of land for consideration partly other than cash and partly by cash equivalents.</p>	<p>As a part of sale consideration amounting Rs.3160.00 millions, the company has assigned a loan amounting to Rs. 3124.67 millions due to Abhishaya Infrastructure (P) Ltd and received the balance consideration in cash equivalents after the deduction of TDS amounting to Rs.31.60 millions. The title deed of the property is pending release by the Sub Registrar.</p>
<b>Subsidiary Company (W.S. T&amp;D LTD)</b>	
<p>5. Purchase of land from Related party – Holding company (W.S. INDUSTRIES (INDIA) LTD)</p> <p>During the year, the company has purchased an immovable property measuring 16.40 acres of land for consideration partly other than cash and partly by cash equivalents.</p>	<p>As part of sale consideration amounting Rs.3160.00 millions, the holding company has assigned a loan amounting to Rs. 3124.67 millions due to Abhishaya Infrastructure (P) Ltd for which Mortgage has been created on 16.40 Acres of land in their favour and received the balance amount in cash equivalents after the deduction of TDS amounting to Rs. 31.60 millions. The charge has been satisfied by the holding company and the new charge has been registered with ROC favouring the lender. The title deed of the property is pending release by the Sub Registrar.</p>

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

---

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the consolidated Financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.



- d) In our opinion, the aforesaid consolidated Financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The holding company has part redeemed debentures and made part payment of interest on the debentures. The holding company has obtained suitable opinion from an expert and based on the same, the group company is in compliance with the provisions of sec 164 of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on the consolidated financial position of the Group, in its consolidated financial statements.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.;
  - iii. The Group is not required to transfer, any amount to the Investor Education and Protection Fund.

For **M/s. S B S B AND ASSOCIATES**  
Chartered Accountants  
Firm Registration No: 012192S

D. Sharath Kumar  
Partner  
Membership No.: 024568

Place : Chennai  
Date : 30<sup>th</sup> May 2019

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

---

### **“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated financial statements of W.S. INDUSTRIES (INDIA) LIMITED**

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **W.S. INDUSTRIES (INDIA) LIMITED** (herein after referred to as “Holding Company”) and its subsidiary companies which are companies incorporated in India as of March 31, 2019 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company and its Subsidiary Company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Holding company and its Subsidiary Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of



Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

The system of internal financial controls over financial reporting, with regard to the company were made available to us, to determine whether the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at 31<sup>st</sup> March 2019. However, in addition to above, internal financial controls over financial reporting is based on management's assurance.

We give a disclaimer as reported above in respect of the internal financial controls over financial reporting, considering the nature, timing and extent of audit tests in our audit of the Consolidated financial statements of the Company and hence our opinion is subject to the said disclaimer on the Consolidated financial statements of the company.

**For M/s. S B S B AND ASSOCIATES**

Chartered Accountants

Firm Registration No: 012192S

D. Sharath Kumar

Partner

Membership No.: 024568

Place : Chennai

Date : 30<sup>th</sup> May 2019



# W.S. INDUSTRIES (INDIA) LIMITED

## CONSOLIDATED BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019 (in ₹ Million)

Notes	31 MARCH 2019	31 MARCH 2018
<b>ASSETS</b>		
<b>1 Non-Current Assets :</b>		
(a) Property, Plant and Equipment	4 <b>4256.32</b>	840.97
(b) Capital Work in Progress	4 <b>7.04</b>	7.04
(c) Other Intangible assets	5 <b>0.01</b>	0.02
(d) Other Non- Current Assets	6 <b>1.38</b>	3.76
<b>Total Non -Current Assets</b>	<b>4264.75</b>	<b>851.79</b>
<b>2 Current Assets :</b>		
(a) Inventories	7 <b>11.43</b>	11.51
(b) Financial Assets :		
i. Trade Receivables	8 <b>18.68</b>	28.25
ii. Cash and Cash Equivalents	9 <b>20.82</b>	14.88
(c) Current Tax Assets (Net)	10 <b>31.81</b>	11.30
(d) Other Current Assets	11 <b>48.34</b>	985.73
<b>Total Current Assets</b>	<b>131.08</b>	<b>1051.67</b>
<b>3 Non Current Assets held</b>	4 <b>294.46</b>	668.46
<b>TOTAL ASSETS</b>	<b>4690.29</b>	<b>2571.92</b>
<b>EQUITY AND LIABILITIES</b>		
<b>1 Equity:</b>		
(a) Equity Share Capital	12 <b>262.61</b>	211.40
(b) Other Equity	13 <b>(1067.86)</b>	(1611.54)
(c) Non controlling Interest	14 <b>0.48</b>	
<b>Total Equity</b>	<b>(804.77)</b>	(1400.14)
<b>2 Liabilities:</b>		
Non Current Liabilities :		
Financial Liabilities		
i. Prefefence Share Capital	15 <b>127.50</b>	127.50
ii. Debentures	16 <b>943.35</b>	
iii. Borrowings	17 <b>3124.67</b>	127.50
<b>Total Non Current Liabilities</b>	<b>4195.52</b>	127.50
Current Liabilities :		
(a) Financial Liabilities		
i. Borrowings	18 <b>54.60</b>	175.68
ii. Trade Payables	19 <b>285.31</b>	281.59
iii. Other financial liabilities	20 <b>853.61</b>	3268.43
(b) Provisions	21 <b>0.43</b>	0.89
(c) Current tax liabilities (Net)	10	4.08
(d) Other current liabilities	22 <b>105.59</b>	113.89
<b>Total Current Liabilities</b>	<b>1299.54</b>	<b>3844.56</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4690.29</b>	<b>2571.92</b>
Significant Accounting Policies & Notes on Financial Statements	1 to 39	

As per our Report of even date

For and on behalf of the Board

For **M/s. S B S B and Associates**

Chartered Accountants

Firm No.: 012192S

**D.SHARATH KUMAR**

Partner

Membership No.: 024568

Place : Chennai

Date : 30<sup>th</sup> May 2019

**J.SRIDHARAN**

Director

**R. KARTHIK**

Director

**B. SWAMINATHAN**

Chief Financial Officer and Company Secretary



**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019** (in ₹ Million)

	Note No	31 MARCH 2019	31 MARCH 2018
<b>INCOME:</b>			
I Revenue from Operations	23	3.26	22.54
II Other Income	24	93.42	11.67
III <b>Total Income ( I + II )</b>		<b>96.68</b>	34.21
<b>IV EXPENSES:</b>			
Cost of materials consumed	25	0.08	1.22
Changes in inventories of finished goods, work-in-progress	26		0.09
Employee benefits expense	27	3.03	2.99
Finance costs	28	48.70	(0.48)
Depreciation	4,5	92.27	91.69
Other expenses	29	10.40	2.90
<b>Total Expenses (IV)</b>		<b>154.48</b>	98.41
V Profit / (Loss) before exceptional items and tax (III - IV )		<b>(57.80)</b>	(64.20)
VI Exceptional Items			
VII <b>Profit / (Loss) before tax (V-VI)</b>		<b>(57.80)</b>	(64.20)
<b>VIII Tax expense</b>			
a. Current Tax			
IX Profit / (Loss) for the year from Continuing Operations(VII-VIII)		<b>(57.80)</b>	(64.20)
X Profit / (Loss) from discontinued Operations(VII-VIII)	30	<b>(2188.86)</b>	383.77
XI Provision for Income Tax withdrawn		<b>(4.52)</b>	
XII Profit / (Loss) from discontinued Operations after tax (X-XI)		<b>(2184.34)</b>	383.77
XIII Profit / (Loss) for the period (IX+XII)		<b>(2242.14)</b>	319.57
<b>XIV Other Comprehensive income</b>			
A. (i) Items that will not be reclassified to Profit or loss			
(a) Other comprehensive income/(Loss) arising from discontinued operations			
(b) Equity instrument through other comprehensive income			4.95
A. (ii) Income tax relating to items that will not be reclassified to profit or loss			
B. (i) Items that may be reclassified to profit or loss			
B. (ii) Income tax relating to items that may be reclassified to profit or loss			
XV <b>Total other comprehensive income A(I+II)+B(I+II)</b>			4.95
XVI <b>Total comprehensive income for the period (XIII+XV)</b>		<b>(2242.14)</b>	324.52
XVII Attributable to Non controlling Interests		<b>(0.00)</b>	
XIX <b>Total comprehensive income for the period</b>		<b>(2242.14)</b>	324.52
Earning per equity share (for continuing operation)			
(i) Basic		<b>(2.68)</b>	(3.63)
(ii) Diluted		<b>(2.68)</b>	(3.63)
Earning per equity share (for discontinued operation)			
(i) Basic		<b>(83.18)</b>	18.15
(ii) Diluted		<b>(83.18)</b>	18.15
Earning per equity share (for discontinued and continuing operation)			
(i) Basic		<b>(85.86)</b>	14.52
(ii) Diluted		<b>(85.86)</b>	14.52
Significant Accounting Policies & Notes on Financial Statements	1 to 39		

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

Place : Chennai  
Date : 30<sup>th</sup> May 2019

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary

# W.S. INDUSTRIES (INDIA) LIMITED

## STATEMENT OF CHANGES IN EQUITIES FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2019

### a) Equity Share Capital

(in ₹ Million)

Balance at 1 <sup>st</sup> April 2017	Changes in equity share capital during the year	Balance at 31 <sup>st</sup> March 2018
211.40		211.40

Balance at 1 <sup>st</sup> April 2018	Changes in equity share capital during the year	Balance at 31 <sup>st</sup> March 2019
211.40	51.21	262.61

### b) Other Equity

Particulars	Reserves & surplus									Total
	Capital Reserve	Share Premium	Revaluation Reserve	Revaluation Reserve - Ind AS	Capital Redemption Reserve	Special General Reserve	Retained Earnings	Reserves for equity instruments through other comprehensive income	Non controlling Interests	
Balance at 1 <sup>st</sup> April 2017	9.95	180.50	664.11	(2.02)	176.16	25.81	(2452.02)	(538.54)		(1936.05)
Additions during the year							319.57			319.57
Withdrawals during the year										
Profit/(Loss) for the year										
Other comprehensive income/(Loss) arising from discontinued operations										
Net fair value loss on investments in equity instruments at FVTOCI								4.95		4.95
<b>Total Comprehensive income for the year</b>	<b>9.95</b>	<b>180.50</b>	<b>664.11</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(2132.45)</b>	<b>(533.59)</b>		<b>(1611.53)</b>
<b>Balance at 31<sup>st</sup> March 2018</b>	<b>9.95</b>	<b>180.50</b>	<b>664.11</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(2132.45)</b>	<b>(533.59)</b>		<b>(1611.53)</b>

Particulars	Reserves & surplus									Total
	Capital Reserve	Share Premium	Revaluation Reserve	Revaluation Reserve - Ind AS	Capital Redemption Reserve	Special General Reserve	Retained Earnings	Reserves for equity instruments through other comprehensive income	Non controlling Interests	
Balance at 1 <sup>st</sup> April 2018	9.95	180.50	664.11	(2.02)	176.16	25.81	(2132.45)	(533.59)		(1611.53)
Additions during the year	3159.72									3159.72
Withdrawals during the year			(373.90)							(373.90)
Profit/(Loss) for the year							(2242.14)		(0.00)	(2242.14)
Other comprehensive income/(Loss) arising from discontinued operations										
Net fair value loss on investments in equity instruments at FVTOCI										
<b>Total Comprehensive income for the year</b>	<b>3169.67</b>	<b>180.50</b>	<b>290.21</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(4374.59)</b>	<b>(533.59)</b>	<b>0.00</b>	<b>(1067.85)</b>
<b>Balance at 31<sup>st</sup> March 2019</b>	<b>3169.67</b>	<b>180.50</b>	<b>290.21</b>	<b>(2.02)</b>	<b>176.16</b>	<b>25.81</b>	<b>(4374.59)</b>	<b>(533.59)</b>	<b>0.00</b>	<b>(1067.85)</b>

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

Place : Chennai  
Date : 30<sup>th</sup> May 2019

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary


**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

PARTICULARS	31 MARCH 2019	31 MARCH 2018
<b>A OPERATING ACTIVITIES:</b>		
Profit before tax from continuing operations	(57.80)	(64.20)
Profit/(loss) before tax from discontinued operations	(2188.86)	383.77
Profit before tax	<u>(2246.66)</u>	<u>319.57</u>
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and impairment of property, plant and equipment	92.27	91.69
Net foreign exchange differences	(0.24)	(0.91)
Loss on disposal of property, plant and equipment		0.12
Finance costs (including fair value change in financial instruments)	48.91	0.43
Earlier Provision for Income Tax withdrawn	4.52	
Impairment of Non Current Asset held		9.36
<i>Working capital adjustments:</i>		
Movements in provisions, gratuity and government grants	(0.45)	(11.16)
Increase in trade and other receivables and prepayments	9.57	286.87
Decrease in inventories	0.07	4.14
Increase/(Decrease) in trade and other payables	3.72	(213.35)
(Increase)/Decrease in other Current Assets	919.25	1.21
Increase/(Decrease) in Liabilities and Provisions	(12.38)	(634.06)
	<u>(1181.42)</u>	<u>(146.09)</u>
Income Tax Paid		
<b>Net cash flows from operating activities</b>	<u>(1181.42)</u>	<u>(146.09)</u>
<b>B INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(347.78)	
<b>Net cash flows used in investing activities</b>	<u>(347.78)</u>	

# W.S. INDUSTRIES (INDIA) LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2019 (Contd.) (in ₹ Million)

PARTICULARS	31 MARCH 2019	31 MARCH 2018
<b>C FINANCING ACTIVITIES:</b>		
Proceeds from exercise of share options	51.69	
Proceeds from exercise of Debenture options	943.35	
Interest paid	(48.91)	(0.43)
Sale of Investments		5.10
Proceeds from Non Current borrowings	3124.67	90.70
Repayment of Current borrowings	(2535.89)	
<b>Net cash flows from/(used in) financing activities</b>	<b>1534.91</b>	<b>95.37</b>
Net increase in cash and cash equivalents	5.70	(50.71)
Net foreign exchange difference	0.24	0.91
Cash and cash equivalents at the beginning of the year	14.88	64.69
<b>Cash and cash equivalents at year end</b>	<b>20.82</b>	<b>14.88</b>

### Notes on Statement of Cash Flow:

1 Above statement has been prepared following the Indirect method except in case of Interest received /Paid. Dividend Received/Paid , Purchase/ Sale of Investments, loans taken and repaid and Taxes Paid , which have been considered on the basis of actual movement of cash with necessary adjustments in corresponding assets and Liabilities.

2 Purchase of Fixed Assets are stated inclusive of movements of Capital Work-in-Progress between beginning and end of the year.

3 Cash and cash equivalents

Cash and Bank Balances	20.82	14.88
Unrealised (Gain) / Loss		
Cash and Bank Balances restated as above	20.82	14.88

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568  
Place : Chennai  
Date : 30<sup>th</sup> May 2019

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary



## Notes forming part of Accounts

### NOTE

#### 1 SIGNIFICANT ACCOUNTING POLICIES

##### a Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017.

These consolidated financials statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act,2013.

##### b Basis of presentation of Financial Statements

The Consolidated financial statements relate to W.S. Industries (India) Limited (the Parent Company), and its Subsidiary Companies. The Parent Company with its subsidiaries constitute the Group.

The financial Statements of the Holding Company and the Subsidiary Companies’ statements used are drawn for the Period April 2018 - March 2019.

The Group maintains its accounts on accrual basis following the historical cost convention, in accordance with the Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act 2013.

The preparation of financial statements in conformity with Ind AS requires that the respective managements of the companies make estimates and assumptions that affect the reported amounts if income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements.

##### c Principles of consolidation

The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and unrealized profits resulting therefrom and are presented to the extent possible, in the same manner as the Company’s independent financial statements.

The Financial Statements of the Parent Company and its Subsidiary Companies have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

The Subsidiary Companies considered in the consolidated financial statements are W.S. T & D Limited and Vidagara Tech Park Private Limited, whose country of incorporation is India and the percentage of voting power by W.S. Industries (India) limited is 51% and 100% respectively held on 31<sup>st</sup> March 2019.

2 Stock in Trade is valued at Cost or NRV, whichever is lower.

##### 3 Regrouping of figures

The previous year’s figures have been regrouped and rearranges wherever necessary.

# W.S. INDUSTRIES (INDIA) LIMITED

NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

(in ₹ Million)

## NOTE 04

### Property, Plant and Equipment FY 2018-2019

	Gross Block			Accumulated Depreciation				NET BLOCK		
	Balance as at 1 <sup>st</sup> April 2018	Additions	Deletions	Balance as at 31 <sup>st</sup> March 2019	Balance as at 1 <sup>st</sup> April 2018	Depreciation charge for the year	Deletions	Balance as at 31 <sup>st</sup> March 2019	WDV as on 31 <sup>st</sup> March 2019	WDV as on 31 <sup>st</sup> March 2018
<b>1. Property, Plant and Equipment</b>										
Land	48.01	3507.60		3555.61	13.09	1.45		14.54	3541.07	34.92
Buildings	439.27			439.27	140.50	12.59		153.09	286.18	298.77
Plant and Machinery including Electrical Installations	1010.70			1010.70	508.70	76.41		585.11	425.59	502.00
Furniture, Fixtures	9.68			9.68	7.79	0.94		8.73	0.95	1.89
Office Equipments	16.74			16.74	13.53	0.78		14.31	2.43	3.21
Vehicles	1.07			1.07	0.89	0.08		0.97	0.10	0.18
<b>Total</b>	1525.47	3507.60		5033.07	684.50	92.25		776.75	4256.32	840.97
<b>2 Capital Work In Progress</b>	7.04			7.04					7.04	7.04
<b>3 Non Current Assets held *</b>	676.48	0.18	374.19	302.47	8.01			8.01	294.46	668.47
<b>Grand Total</b>	2208.99	3507.78	374.19	5342.58	692.51	92.25		784.76	4557.82	1516.48

\* Non Current Assets held pertains to Chennai Insulator Division which is being considered as discontinued operation.

### Property, Plant and Equipment FY 2017-2018

	Gross Block			Accumulated Depreciation				NET BLOCK		
	Balance as at 1 <sup>st</sup> April 2017	Additions	Deletions	Balance as at 31 <sup>st</sup> March 2018	Balance as at 1 <sup>st</sup> April 2017	Depreciation charge for the year	Deletions	Balance as at 31 <sup>st</sup> March 2018	WDV as on 31 <sup>st</sup> March 2018	WDV as on 31 <sup>st</sup> March 2017
<b>1 Property, Plant and Equipment</b>										
Land	48.01			48.01	11.64	1.45		13.09	34.92	36.37
Buildings	439.27			439.27	127.91	12.59		140.50	298.77	311.36
Plant and Machinery including Electrical Installations	1011.47		0.77	1010.70	433.03	76.42	0.75	508.70	502.00	578.44
Furniture, Fixtures	9.90		0.22	9.68	7.27	0.63	0.12	7.78	1.90	2.63
Office Equipments	16.74		0.01	16.73	13.00	0.53	0.01	13.52	3.21	3.74
Vehicles	1.08		0.00	1.08	0.84	0.05	0.00	0.89	0.19	0.24
<b>Total</b>	1526.47		1.00	1525.47	593.69	91.67	0.88	684.48	840.99	932.78
<b>2 Capital Work In Progress</b>	7.04			7.04					7.04	7.04
<b>3 Non Current Assets held *</b>	730.94	0.86	55.32	676.48	53.11	0.05	45.14	8.02	668.46	677.83
<b>Grand Total</b>	2264.45	0.86	56.32	2208.99	646.80	91.72	46.02	692.50	1516.49	1617.65

\* Non Current Assets held pertains to Chennai Insulator Division which is being considered as discontinued operation.



**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

**NOTE 05**

**OTHER INTANGIBLE ASSETS**

**FY 2018-19**

Particulars	Gross Block			Accumulated Depreciation				NET BLOCK		
	Balance as at April 1, 2018	Additions	Deletions	Balance as at Mar 31, 2019	Balance as at April 1, 2018	Depreciation charge for the year	Deletions	Balance as at Mar 31, 2019	Balance as at Mar 31, 2019	Balance as at April 1, 2018
Computer software	0.04			0.04	0.02	0.01		0.03	0.01	0.02
<b>Total</b>	0.04			0.04	0.02	0.01		0.03	0.01	0.02

**FY 2017-18**

Particulars	Gross Block			Accumulated Depreciation				NET BLOCK		
	Balance as at April 1, 2017	Additions	Deletions	Balance as at Mar 31, 2018	Balance as at April 1, 2017	Depreciation charge for the year	Deletions	Balance as at Mar 31, 2018	Balance as at Mar 31, 2018	Balance as at April 1, 2017
Computer software	0.04			0.04	0.01	0.01		0.02	0.02	0.03
<b>Total</b>	0.04			0.04	0.01	0.01		0.02	0.02	0.03

	31 MARCH 2019	31 MARCH 2018
<b>NON CURRENT ASSETS</b>		
<b>NOTE 06</b>		
<b>OTHER NON CURRENT ASSETS</b>		
(1) Advances Other than Capital Advances		
Deposits	0.98	3.52
(2) Others (Specify nature)		
Prepaid Expenses	0.40	0.24
<b>Total</b>	<b>1.38</b>	<b>3.76</b>
<b>CURRENT ASSETS</b>		
<b>NOTE 07</b>		
<b>INVENTORIES</b>		
(a) Raw Materials	1.52	1.60
(b) Work-in-Process	5.50	5.50
(c) Finished Goods	3.68	3.68
(d) Stores / Spares (including coal, fuel and packing material)	0.73	0.73
<b>Total</b>	<b>11.43</b>	<b>11.51</b>



**W.S. INDUSTRIES (INDIA) LIMITED**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 08</b>		
<b>TRADE RECEIVABLES</b>		
<b>Current</b>		
<b>Trade Receivables</b>		
i) Considered Good - Secured		
ii) Considered Good -Unsecured	<b>18.68</b>	28.25
iii) Which have significant increase in Credit Risk		
iv) Credit impaired		
<b>Total</b>	<b>18.68</b>	28.25
<b>NOTE 09</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
(a) Balances with Banks	<b>4.36</b>	14.87
(b) Cash on hand	<b>0.15</b>	0.02
(c) Deposits with bank	<b>16.31</b>	
<b>Total</b>	<b>20.82</b>	14.89
<b>NOTE 10</b>		
<b>CURRENT TAX ASSETS AND LIABILITIES</b>		
<b>Current Tax Assets</b>		
Tax deducted at source	<b>31.79</b>	11.27
Tax refund receivable	<b>0.02</b>	0.02
<b>Total</b>	<b>31.81</b>	11.29
<b>Current Tax Liabilities</b>		
Income Tax (Net of Payments)		4.08
<b>Total</b>		4.08
<b>NOTE 11</b>		
<b>OTHER CURRENT ASSETS</b>		
a. Advances Other than Capital Advances		
Deposits	<b>14.64</b>	15.38
b. Others (Specify nature)		
(a) Prepaid Expenses	<b>0.68</b>	1.08
(b) Others	<b>33.02</b>	969.27
<b>Total</b>	<b>48.34</b>	985.73



**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

**NOTE 12**

**EQUITY SHARE CAPITAL**

**Note: A**

Particulars	As on 31 March 2019		As on 31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	<b>35000000</b>	<b>350.00</b>	35000000	350.00
Cumulative Redeemable Preference Shares of ₹ 100 each	<b>1500000</b>	<b>150.00</b>	1500000	150.00
<b>Issued</b>				
Equity Shares of ₹ 10 each	<b>26260607</b>	<b>262.61</b>	21139789	211.40
Cumulative Redeemable Preference Shares of ₹ 100 each	<b>1275000</b>	<b>127.50</b>	1275000	127.50
<b>Subscribed &amp; Paid Up</b>				
Equity Shares of ₹ 10 each	<b>26260607</b>	<b>262.61</b>	21139789	211.40
Cumulative Redeemable Preference Shares of ₹ 100 each	<b>1275000</b>	<b>127.50</b>	1275000	127.50

**Note: B Shareholders holding more than 5% of the shares**

Name of Shareholders	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
W.S. International (P) Ltd.	<b>1874657</b>	<b>7%</b>	1119798	5%
Blue Chip Investments (P) Ltd.	<b>4096138</b>	<b>16%</b>	4096138	19%
Earc SAF 1 Trust	<b>2434358</b>	<b>9%</b>		
Edelweiss Asset Reconstruction Company Limited	<b>1901268</b>	<b>7%</b>		
East Sail			1985577	9%

# W.S. INDUSTRIES (INDIA) LIMITED

NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 13</b>		
<b>OTHER EQUITIES</b>		
<b>RESERVES AND SURPLUS</b>		
a) Capital Reserve	3169.67	9.95
b) Share Premium	180.50	180.50
c) Revaluation Reserve	290.21	664.11
d) Revaluation Reserve - IND AS	(2.02)	(2.02)
e) Capital Redemption Reserve	176.16	176.16
f) Special General Reserve	25.81	25.81
g) Reserves for equity instruments through other comprehensive income	(533.60)	(533.60)
h) Retained earnings	(4374.59)	(2132.45)
<b>Total</b>	<b>(1067.86)</b>	<b>(1611.54)</b>
<b>RESERVES FOR EQUITY INSTRUMENTS THROUGH OTHER COMPREHENSIVE INCOME</b>		
Balance at beginning of Year	(533.60)	(538.54)
Net fair value gain on investments in equity instruments at FVTOCI		4.95
<b>Balance at end of Year</b>	<b>(533.60)</b>	<b>(533.59)</b>
<b>RETAINED EARNINGS</b>		
Balance at beginning of Year	(2132.45)	(2452.02)
Profit for the Year	(2242.14)	319.57
<b>Balance at end of Year</b>	<b>(4374.59)</b>	<b>(2132.45)</b>

## 13.1 Description of nature and purpose of Reserve:

- (i) Capital Reserve represents gain of a capital nature. It can be used in writing off the capital losses from sale of fixed assets, shares & debentures and issue of fully paid up bonus shares to existing shareholders. Capital Reserve is not available for distribution to shareholders as dividend.
- (ii) Share Premium records the premium component on issue of shares and can be utilised only in accordance with the provisions of Companies Act, 2013.
- (iii) Revaluation Reserve is the reserve which is created when any Fixed Asset / Non Current Asset (As per Ind AS) is revalued. It cannot be utilised for the purpose of issue of fully paid up bonus shares or write off of capital losses, unless the revalued fixed assets have been disposed off.


**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

- (iv) Capital redemption reserve is transferred from undistributed profits i.e. general reserves, profit or loss account. It can be utilized for the purpose of buy back of shares, incremental effect of fresh equity shares or preference shares issued to redeem the old preference shares, issuing fully paid bonus shares and not available for distribution to shareholders as dividend.
- (v) Special General reserve is created for specific purposes. It can be utilized only for the purpose for which it has been created and cannot be utilized for other purposes and not available for distribution to shareholders as dividend.
- (vi) Reserves for equity instruments through other comprehensive income is created with value changes recognised in profit or loss on account of measurement at fair value of all equity investments, except for those investments for which the entity has irrevocably elected to present value changes in other comprehensive income (OCI) and not available for distribution to shareholders as dividend.

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 14</b>		
<b>NON CONTROLLING INTEREST</b>		
Balance at beginning of Year		
Subscription to Equity Share Capital	0.48	
Profit for the Year	(0.00)	
Balance at end of Year	0.48	
<b>NON CURRENT LIABILITIES</b>		
<b>NOTE 15</b>		
<b>PREFERENCE SHARE CAPITAL</b>		
<b>Non Current</b>		
<b>Unsecured</b>		
1275000 Cumulative Redeemable Preference Shares of Rs. 100/- each fully paid - up	127.50	127.50
<b>Total</b>	127.50	127.50

**Note: Shareholders holding more than 5% of the shares**

Name of Shareholders	Preference Shares			
	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vensunar Holdings (P) Ltd.	925000	73%	925000	73%
Vensunar (P) Ltd.	350000	27%	350000	27%

## W.S. INDUSTRIES (INDIA) LIMITED

The 925000 Non-convertible, Redeemable and cumulative Preference Shares of Rs.100/- each fully paid up with coupon rate of 5% / 7.5% subscribed by Vensunar Holdings (P) Ltd. and due for redemption on 30<sup>th</sup> Sept. 2018 has been extended by the above shareholder for a further period of 12 months, i.e., upto 30<sup>th</sup> Sept. 2019.

350000 Non-convertible, Redeemable and cumulative Preference Shares Rs. 100/- each fully paid up with a coupon rate of 10% subscribed by Vensunar (P) Ltd. which are due for redemption on 28<sup>th</sup> Feb. 2019 has been extended by the above shareholder for a further period of 18 months, i.e., upto 31<sup>st</sup> Aug. 2020.

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 16</b>		
<b>DEBENTURES</b>		
56041431 fully paid up Series A compulsorily convertible debentures having face value of Rs.10 each	<b>560.42</b>	
38293115 fully paid up Series B compulsorily convertible debentures having face value of Rs.10 each	<b>382.93</b>	
<b>Total</b>	<b>943.35</b>	
Series A and Series B CCDs are now being held by M/s. Abhishaya Infrastructure Private Limited.		
<b>NOTE 17</b>		
<b>FINANCIAL LIABILITIES</b>		
Borrowings - Secured Loan from Others	<b>3124.67</b>	
<b>Total</b>	<b>3124.67</b>	
During the period, the Holding Company has assigned their existing loan of ₹ 3124.67 million due to Abhishaya Infrastructure (P) Ltd. to the Company, for which Mortgage has been created on 16.40 Acres of land in their favour.		
<b>CURRENT LIABILITIES</b>		
<b>NOTE 18</b>		
<b>BORROWINGS</b>		
<b>Current</b>		
<b>Unsecured</b>		
Loan from Others	<b>54.60</b>	150.70
<b>Secured</b>		
<b>Loan repayable on demand</b>		
Working capital borrowing from banks		24.98
<b>Total</b>	<b>54.60</b>	175.68

**NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019**

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 19</b>		
<b>TRADE PAYABLES</b>		
<b>Current</b>		
Trade Payables		
a) Total outstanding dues of Micro and Small enterprises		
b) Total outstanding dues of Creditors other than the above	<b>285.31</b>	281.59
<b>Total</b>	<b>285.31</b>	281.59
<b>CURRENT LIABILITIES</b>		
<b>NOTE 20</b>		
<b>OTHER FINANCIAL LIABILITIES</b>		
Current Maturities of Long-term borrowings *	<b>719.12</b>	2754.25
Interest accrued but not due on loans	<b>1.79</b>	0.53
Interest accrued and due on loans@	<b>132.70</b>	430.35
Interest accrued and due on NCDs		83.31
<b>Total</b>	<b>853.61</b>	3268.44

\* Period and amount of dues: ₹ 719.13 Million has fallen due on or before 31<sup>st</sup> March 2016

@ Period and amount of dues: ₹ 132.70 Million has fallen due on or before 31<sup>st</sup> March 2016

The above Long Term Loans are secured by the :

First charge on the company's immovable and movable fixed assets, present and future, as set out hereunder:

- i) Security has been created on NCD of ₹ 20 million in favour of IDBI Trusteeship Services Limited on behalf of the Debentureholders and in favour of Allium Finance Ltd. and Edelweiss Asset Reconstruction Company Ltd. for the Term Loans aggregating to ₹ 147.64 million on the block assets of the company situated at the Vizag Plant and on 2.91 acres of land situated at Porur, Chennai and in respect of vacant land of the Company admeasuring 2.214 acres situated at Sedarpet Village, Pondicherry on pari passu basis among these lenders and pledge of 29,70,000 equity shares of the Promoters.
- ii) Security Receipts of ₹ 59.48 million classified as Term Loan from other than Banks are secured by Block Assets of the company situated at Chennai except for 7.34 acres of land and also secured by block assets of the company situated at Vizag.

# W.S. INDUSTRIES (INDIA) LIMITED

## NOTES FORMING PART OF BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2019

(in ₹ Million)

- iii) For the facilities assigned by Punjab National Bank and Indian Overseas Bank, for ₹ 492.01 million in favour of Edelweiss Asset Reconstruction Company Ltd., Term Loans are secured by the first charge on the Block Assets of the Company situated at the Chennai Plant except to the extent of 7.34 Acres of land on paripassu basis and in respect of vacant land of the company situated at Sedarpet Village, Pondicherry and Working Capital loans are secured primarily by a first charge on the current assets of the company and further secured by a second charge on the Fixed Assets of the company excluding specific charges and in respect of vacant land of the company situated at Sedarpet Village, Pondicherry on paripassu basis.

### Terms of Repayment

The facilities extended to the company have been declared as Non-performing Assets with the respective Banks/ Financial Institutions.

(in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 21</b>		
<b>PROVISIONS</b>		
<b>Current</b>		
Employee Benefits		
Provision for Employee Benefits	0.43	0.89
<b>Total</b>	<u>0.43</u>	<u>0.89</u>
<b>NOTE 22</b>		
<b>OTHER CURRENT LIABILITIES</b>		
<b>Other Payables</b>		
a) Liabilities-Expenses	41.35	39.27
b) Other Liabilities	54.24	24.62
c) Advance towards sale of Investments		40.00
d) Refundable Deposit	10.00	10.00
<b>Total</b>	<u>105.59</u>	<u>113.89</u>



**NOTES TO STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019** (in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 23</b>		
<b>REVENUE FROM OPERATION</b>		
<b>(a) Sales of Products</b>		
Insulator Products		
Turnkey Products		
<b>Total (Gross)</b>		
<b>(b) Other Operating Revenues</b>		
Sale of Scrap and others	<b>3.26</b>	22.54
	<u><b>3.26</b></u>	<u>22.54</u>
<b>Add: Excise Duty on</b>		
Sales		
<b>Total (Gross)</b>	<b>3.26</b>	22.54
<b>Total</b>	<u><b>3.26</b></u>	<u>22.54</u>
<b>NOTE 24</b>		
<b>OTHER INCOME</b>		
Other Receipts	<b>0.06</b>	0.14
Income/Loan Waiver	<b>93.41</b>	
Liabilities written back		11.51
Gain/(Loss) on financial assets carried at FVTPL	<b>(0.05)</b>	0.02
<b>Total</b>	<u><b>93.42</b></u>	<u>11.67</u>
<b>NOTE 25</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Clays and Minerals	<b>0.08</b>	1.21
Others		0.00
<b>Total</b>	<u><b>0.08</b></u>	<u>1.21</u>
<b>NOTE 26</b>		
<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS</b>		
<b>Opening Stock :</b>		
Work-in-Process	<b>5.50</b>	5.50
Finished Goods	<b>0.75</b>	0.85
<b>Sub Total</b>	<u><b>6.25</b></u>	<u>6.35</u>
<b>Closing Stock :</b>		
Work-in-Process	<b>5.50</b>	5.50
Finished Goods	<b>0.75</b>	0.75
<b>Sub Total</b>	<u><b>6.25</b></u>	<u>6.25</u>
<b>Total (Increase)/Decrease in stock</b>		0.10



# W.S. INDUSTRIES (INDIA) LIMITED

NOTES TO STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019 (in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 27</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Bonus and Settlement	2.91	2.88
Contribution to PF, ESI, Gratuity, etc.,	0.02	0.02
Welfare Expenses	0.10	0.09
<b>Total</b>	<b>3.03</b>	<b>2.99</b>
<b>NOTE 28</b>		
<b>FINANCE COSTS</b>		
Interest Expense	48.89	0.40
Bank Charges	0.02	0.03
Net (gain) / loss on foreign currency transactions	(0.23)	(0.91)
Interest on Debentures	0.02	
<b>Total</b>	<b>48.70</b>	<b>(0.48)</b>
<b>NOTE 29</b>		
<b>OTHER EXPENSES</b>		
Consumption of Stores and Spares	0.05	0.05
Power and Fuel	0.90	0.85
Rates and Taxes	2.72	2.66
Insurance	0.19	1.41
Repairs and Maintenance:		
Building	0.09	
Plant & Machinery	0.19	0.08
Other Assets	0.12	0.32
Travelling and Conveyance	0.93	0.94
Security Services	1.59	1.73
Subcontract Charges	0.08	0.84
Recovery Supply Bills	0.73	
Rent Office	0.48	0.46
Legal fees & Expenses	0.00	0.04
Consultants Fees	2.24	3.35
<b>Auditors' Expenses:</b>		
Statutory Audit Fees	0.02	0.01
Others	0.07	(9.84)
<b>Total</b>	<b>10.40</b>	<b>2.90</b>



**NOTES TO STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2019** (in ₹ Million)

	31 MARCH 2019	31 MARCH 2018
<b>NOTE 30</b>		
<b>DISCONTINUED OPERATIONS</b>		
Revenue *	317.61	548.46
Expenses *	(2364.79)	(154.43)
Finance Cost *	(141.68)	(10.26)
<b>Profit / (Loss) before tax from a discontinued operation</b>	<b>(2188.86)</b>	<b>383.77</b>
* Chennai Insulator Division is being considered as discontinued operations		
<b>NOTE 31</b>		
<b>CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR</b>		
<b>I Contingent Liabilities</b>		
(a) Guarantees	15.48	27.91
(b) Corporate Guarantees issued	1.26	1.26
(c) Arrears of dividend on Cumulative redeemable Preference Shares	97.10	84.52
(d) Labour Disputes	13.60	13.60
(e) Additional Demand for Panchayat Licence Fees	0.30	0.30
(f) Liability on account of Negative Net Foreign Exchange	118.99	
<b>II Commitments</b>		
Due to the strained financial position of the company, individual settlements with the workers have been initiated. Settlement to the remaining workers on similar basis amounts to		1.04
<b>NOTE 32</b>		
<b>PAYMENT TO AUDITOR</b>		
As auditor:		
Audit Fee	0.32	0.31
Tax Audit Fee	0.02	0.02
Limited Review	0.02	0.02
In other capacity:		
Other services (Certification Fees)	0.17	0.01
	<b>0.53</b>	<b>0.36</b>

# W.S. INDUSTRIES (INDIA) LIMITED

## NOTE 33

### CONSOLIDATED SEGMENT DISCLOSURE

#### A. PRIMARY SEGMENT INFORMATION

(in ₹ Million)

	Particulars	Electro-porcelain Products	Turnkey Projects	Total	Electro-porcelain Products	Turnkey Projects	Total
		2018 - 19			2017 - 18		
1	<b>REVENUE</b>						
	Gross Sales	3.26		3.26	22.54		22.54
	Less: Excise Duty						
	Net Sales	3.26		3.26	22.54		22.54
2	<b>RESULT</b>						
	Segment result - EBIT	(96.18)	(5.71)	(101.89)	(66.63)	(9.45)	(76.08)
	Finance Charges (Net)			(48.66)			0.48
	Other Income			93.42			11.67
	Other Unallocated expenses						(0.27)
	Profit on sale of fixed assets (Net)						
	Income Tax						
	<b>Profit / (Loss) from Continuing Operations</b>			(57.13)			(64.20)
	Profit / (Loss) from Discontinued Operations			(2,184.34)			383.77
	<b>Net Profit / (Loss) for the period</b>			(2241.47)			319.57
3	<b>Other Information</b>						
	Segment Assets	724.40	61.46	785.86	824.56	63.19	887.76
	Unallocated Corporate Assets			102.30			1015.70
	Non Current Assets held			294.46			668.46
	<b>Total Assets</b>			1182.62			2571.92
	Segment Liabilities	282.12	3.19	285.31	278.09	3.50	281.59
	Unallocated Corporate Liabilities			1014.04			3562.97
	<b>Total Liabilities</b>			1299.35			3844.56
	Capital expenditure			0.18	0.86		0.86
	Depreciation	92.16	0.09	92.25	91.61	0.06	91.67
	Non-cash expenses other than depreciation						
B.	<b>SECONDARY SEGMENT INFORMATION</b>						
	<b>Revenue by Geographical Market</b>						
	India	3.26		3.26	22.54		22.54
	Rest of the World						
	<b>Total</b>	3.26		3.26	22.54		22.54

#### Notes to Segment Reporting

1 Group Business Segments:

The Group has considered business segment as the primary segment for disclosure. The business segments are: Electro-porcelain products and Turnkey Projects.

2 Geographical Segments:

The geographical segments considered for disclosure are: India and Rest of the world.

3 Segmental assets includes all operating assets used by respective segment and consists principally of operating Debtors, Inventories and Fixed Assets net of allowances and provisions.

Segmental liabilities include all operating liabilities and consist primarily of Creditors and accrued liabilities.

Segment assets and liabilities do not include income tax assets and liabilities.

**NOTE 34**

(in ₹ Million)

Particulars		W.S. T & D LTD.	VIDAGARA TECH PARK PVT LTD
a	Share Capital	0.98	0.10
b	Reserves	(560.97)	(0.06)
c	Total Assets (including Preliminary and Pre-operative expenses)	3508.22	0.06
d	Total Liabilities	3508.22	0.06
e	Investments		
f	Turnover		
g	Profit before Taxation	(0.60)	(0.06)
h	Provision for Taxation		
i	Profit after Tax	(0.60)	(0.06)
j	Equity instrument through OCI		
k	Total Comprehensive Income	(0.60)	(0.06)
l	Proposed Dividend		

**NOTE 35**

During the year the existing loan / receivable of ₹ 560.41 millions due from the subsidiary viz., W.S.T & D Limited to the holding Company has been converted into Compulsorily Convertible Debentures, which has subsequently been disposed off.

**NOTE 36**

Consequent to the receipt of approvals and regulatory clearances from shareholders and other statutory authorities, 16.40 acres of land at Chennai has been received from the Holding Company for a total consideration of ₹ 3160.00 millions.

**NOTE 37**

The Sale Deed pertaining to the transfer of the land and the Deed of Mortgage related to the assignment of loan are pending with the Sub Registrar.

**NOTE 38**

During the year 3,82,93,115 (Three Crores Eighty Two Lakhs Ninety Three Thousand One Hundred and Fifteen) unsecured, fully paid up, compulsorily convertible debentures having a face value of INR 10 (Rupees Ten) ("Series B Debentures") were allotted to Abhishaya Infrastructure Private Limited ("AIPL") for a consideration of ₹ 382.93 millions.

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

---

### **NOTE 39**

During the year M/s. W.S.T&D Limited, has allotted 48,135 equity shares to M/s. Abhishaya Infrastructure Private Limited constituting 49% of its equity share capital.

---

As per our Report of even date  
For **M/s. S B S B and Associates**  
Chartered Accountants  
Firm No.: 012192S

For and on behalf of the Board

**D.SHARATH KUMAR**  
Partner  
Membership No.: 024568  
Place : Chennai  
Date : 30<sup>th</sup> May 2019

**J.SRIDHARAN**  
Director

**R. KARTHIK**  
Director

**B. SWAMINATHAN**  
Chief Financial Officer and Company Secretary