



W.S. INDUSTRIES (INDIA) LIMITED

**52nd
Annual Report
2014-2015**



BOARD OF DIRECTORS

- ❖ **Chairman** **Mr.V. Srinivasan**

- ❖ **Directors** **Mr.K.Raman**
Mr. G. Balasubramanyan
Mr. K. Rajasekar
Mr.S. Suresh - Wholetime Director (Upto 7.8.2015)

- ❖ **Whole-Time Director & Company Secretary** **Mrs.Hema Pasupatheeswaran**

- ❖ **Chief Financial Officer** **Mr. B.Swaminathan**

- ❖ **Bankers** **Punjab National Bank**
Indian Overseas Bank
State Bank of India

- ❖ **Auditors** **M/s. S. Viswanathan,**
17, Bishop Wallers Avenue (West)
CIT Colony, Mylapore,
Chennai – 600 004

- ❖ **Registered Office** **108, Mount Poonamallee Road,**
Porur, Chennai - 600 116.
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Content	Page Nos.
Boards' Report & its Annexures	2 - 30
Auditors' Report	31 - 35
Balance Sheet	36
Statement of Profit and Loss	37
Cash Flow Statement	38 - 39
Notes	40 - 56
Consolidated Accounts	57 - 72



BOARD'S REPORT 2014-15

PART I - PERFORMANCE / OPERATIONS

The Members

Your Directors hereby present the Fifty Second Annual Report on the business and operations of the Company and the Audited Financial Statements for the 6 months' ended 31st March 2015.

1. Results of operations

Due to the ongoing cash crunch, the Company's operations remained significantly affected for most of the year. Hence the revenues are very low and the losses are significant due to incurrence of employee and financial costs.

(₹ in million)

Particulars	For the period ended 31st March 2015 (6 months)*	For the period ended 30th Sept. 2014 (12 months)
Sales and other operational income	99.58	1139.74
Other Income	20.78	160.72
Total Income	120.36	1300.46
Gross Profit / (Loss) from Operations	(185.55)	(332.37)
Less : Depreciation	62.86	99.50
Interest / Finance Charges	236.06	470.34
Net Profit / (Loss) for the year	(484.47)	(902.21)
Provision / (withdrawal) for Income Tax Deferred Tax	(15.00)	(17.10)
Net Profit / (Loss) for the year after Tax	(469.47)	(885.11)
Profit / (Loss) Brought forward from previous year	(1426.99)	(541.88)
Depreciation on transition to Schedule II of the Companies Act, 2013	(77.54)	-
Surplus / (Deficit) / carried to Balance Sheet	(1974.01)	(1426.99)

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

2. Consolidated Financial Statements

Your Company is also presenting the audited consolidated financial statements prepared in accordance with the Accounting Standard 21 issued by the Institute of Chartered Accountants of India.

3. Dividend

During the six months under review, the operations of your Company were severely impacted for several reasons explained in the Management Discussion and Analysis report appended as Annexure 1 of this Report. In view of the adverse financial results, the Directors regret that it will not be possible to propose any dividend on the Equity Shares.

The Directors also regret their inability to recommend any payment of contracted dividend on Preference Share Capital in view of the loss sustained by your Company.

4. Transfer of Profit to Reserves

The company has not proposed to transfer any of its profits to reserves in view of the Carried forward losses.

5. 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.

**6. Fixed Deposits**

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

7. Material changes and commitment affecting financial position between the 6 months ended 31st March 2015 and the date of this Report

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

8. Corporate Governance

Corporate Governance Report in compliance with Clause 49 of the Listing Agreements with stock exchanges is appended as Annexure 2 and forms an integral part of this report.

9. Particulars of Contracts or arrangements made with related parties

Particulars of Contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013, in the prescribed form AOC 2 is appended as Annexure 3 to the Board's Report.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure 4 to this Report.

11. Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as Annexure 5 to this Report.

12. Subsidiaries

During the six months period, your Board of Directors have reviewed the Financial Statements of the 100% subsidiary as well as the step subsidiary (which was earlier a material subsidiary). Your Company has, in accordance with Section 129 (3) of the Companies Act 2013 prepared the Consolidated Financial Statements for the six months ended 31st March 2015, 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 to the Financial Statements forming part of this Report.

In accordance with Section 136 of the Companies Act 2013, the audited consolidated financial statements as well as the audited financial statements of each subsidiary company are available on our website www.wsindustries.in/KYC.

13. Corporate Social Responsibility

In view of the losses incurred, the applicability of Section 135 of the Companies Act 2013 pertaining to Corporate Social Responsibility does not arise.

14. Risk Management

During the year, your Company has assigned Risk Management responsibility to the Audit Committee and has framed a Risk Management Policy which is available in the website of the Company www.wsindustries.in/KYC.

The Company has classified risks and the Committee plays an active role in mitigating the risks and to align it with the objectives of the Risk Management Policy of the Company.

15. Internal Financial Controls

Your Company has adequate internal financial controls with reference to the financial statements and commensurate with its business operations.

**16. Directors and Key Managerial Personnel****Appointment**

It is proposed to appoint Mr.S.Rajasekar and Mrs. Hema Pasupatheeswaran as Directors of your Company. The Company has received notices along with the requisite deposits for their appointment as Directors liable to retire by rotation and the same is being placed before the Annual General Meeting for the approval of the Members.

A brief profile of the above directors is provided under the Corporate Governance Report and in the Notice of the Annual General Meeting.

Resignation

Mr.S.Suresh, resigned as Whole Time Director (Director - Operations) and the same was accepted at the Board Meeting held on 14 August 2015, effective 7th August 2015. The Board placed on record their appreciation and gratitude for his guidance and contribution during his association with the Company.

Key Managerial Personnel

Pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. B.Swaminathan, Chief Financial Officer and Mrs. Hema Pasupatheeswaran, Company Secretary were designated as the "Key Managerial Personnel" of the Company.

17. Declaration by Independent Directors

At the previous Annual General Meeting held on 27th March 2015, the shareholders have approved the appointment of Mr.K.Raman and Mr.G.Balasubramanyan as the Independent Directors of the Company, for a period of five years not subject to retirement by rotation. The Company has received necessary declarations from the said independent directors confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

Performance Evaluation Policy

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors. The same is available in the website of the Company at www.wsindustries.in/KYC.

Remuneration

None of the directors are drawing remuneration (including sitting fee) and therefore the provisions of Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable and hence not furnished.

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. There is no increase in percentage of remuneration drawn by KMP and is not comparable to the performance of the Company, since the Company did not function to its fullest capacity Therefore details pertaining to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 has not been provided.

18. Meetings of the Board

Six meetings of the Board of Directors were held during the period under review. For further details, please refer the Corporate Governance Report of this Annual Report.

19. Audit Committee, its composition and functions

The Audit Committee comprises of 3 directors viz., Mr.K.Raman, Mr.V.Srinivasan and Mr.G.Balasubramanyan. After chairing the Committee for several years, Mr. Raman has stepped down from



the Chairmanship being replaced by Mr. G. Balasubramanyan, the other independent Director. All recommendations made by the Audit Committee during the period under review, were accepted by the Board.

Whistle blower Policy & Code of Conduct

The Company has adopted the Whistle Blower mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct or Ethics. The said Policy is available on the Company's website www.wsindustries.in/KYC.

20. Auditors**Statutory Auditors**

M/s.S.Viswanathan, Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of three years at the Annual General Meeting held on March 27, 2015. Their appointment is to be ratified every year at the Annual General meeting as per the provisions of Section 139(1) and the said appointment is placed for the ratification of the shareholders at the ensuing Annual General Meeting.

Comments on Statutory Auditors' Report

The reports of Statutory Auditors do not carry any qualifications, reservations or adverse remarks which require comments from the Board.

Secretarial Auditor

Pursuant to the requirements of Section 204 (1) of the companies Act 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Ms. Lakshmmi Subramanian (Membership No. 3534 CP No. 1087), Partner, M/s. Lakshmmi Subramanian & Associates, was appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2014-15. The Secretarial Audit Report for the FY 2014-15, is enclosed as Annexure 6 to this Report.

Comments on Secretarial Auditors' Report

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

20. Human Resources

Your Company enjoys cordial relationship with its employees at all levels. The Company's industrial relations continued to be harmonious during the period under review.

21. Prevention of Sexual Harassment Policy

Your Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the period 2014-2015, no complaints were received by the Company related to sexual Harassment.

22. General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

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



Your Company is listed in both National Stock Exchange and Bombay Stock Exchange and has paid the Listing Fee for the Year 2015-16 to both these Exchanges.

23. Director's Responsibility Statement

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

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the period ended 31st March 2015 and of the profit or loss of the Company for the said period under review.
- c. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The directors have prepared the annual accounts on a going concern basis.
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively 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.

24. Acknowledgement

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

Place : Chennai
Date: 14th August 2015

For and on behalf of the Board

V. SRINIVASAN
Chairman



ANNEXURE - 1 TO BOARD'S REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The objective of this Report is to present the Management's perception of the various developments in the business environment, challenges and opportunities before your Company as well as to provide an analysis of your Company's performance and is in accordance with the Clause 49 of the Listing Agreement with the Stock Exchanges. It should be read in conjunction with the Directors' Report to the Members, Financial Statements and Notes forming part thereof.

Insulators

The Insulator industry demand continued to remain more or less flat during the financial year 2014-15 as compared to the previous year. The delay in projects continue resulting in offtake remaining stagnant. However, the anti-dumping duty imposed by the Government of India has resulted in reduction in imports of insulators from China into India and improvement in domestic market pricing.

The inflation index of insulators grew by 3% as per the Press Release of the Government of India, Ministry of Commerce & Industry, Office of the Economic Advisor, thus increasing the input costs.

The Global Insulators Industry Report 2015 forecasts the insulator market to grow at a Compounded Annual Growth Rate (CAGR) of 7.94% through to 2019.

The predominant drivers for the insulator business are the growth in power and transmission sectors, rural electrification drive and expansion of core industries. The challenges are competition from Chinese products and low margins. Your Company besides these faces challenges like low capacity utilization due to lower market demands, rising costs, inadequate working capital among other factors.

Turnkey Projects :

This division depends on the growth of the power sector at the macro level. The Indian power sector is undergoing a significant change that is redefining the industry outlook. Sustained economic growth continues to drive power demand in India. The Government of India's focus to attain 'Power For All' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing on both market side as well as supply side.

The focus during the current year continued on completion, commissioning and handing over of carry forward projects. The segment continues to see significant delay in realization of receivables and hence your company is laying enormous stress on working capital management.

The experience acquired from the pursuit and execution of projects of various voltage ratings in different operating environments has given the foundation to address increased complexity and size of such projects.

Performance of Your Company

Due to the ongoing cash crunch, the Company's operations remained significantly affected for most of the year. Hence the revenues are very low and the losses are significant due to incurrence of employee and financial costs.

Your Company is focusing on taking appropriate steps in order to generate adequate funds for

- Working capital
- Funding cash losses incurred
- Repayment of term loans
- Investments required for scaling up business

The efforts taken should yield results in the coming financial period.

A. ENTERPRISE RISK ANALYSIS AND ITS MANAGEMENT:

Your Company has a composite Risk Management Policy and is focussed in managing all types of risks. Your Company also leans towards insurance where risks are unavoidable. The exposure of your Company to various types of risks is detailed below along with the strategy employed to manage/mitigate the same.

a. Business Risks:

- Inability to pass on cost increases to customers due to predatory pricing from Chinese competitors and intense competition.
- Postponement in order execution by customers due to the corresponding delay in the generation projects for which these T & D investments are being set up.



- Inadequate funds for working capital due to the cash losses incurred.
- Your Company is currently focusing on mitigation of business risks by
 - Continuously expanding its geographic and customer exposure
 - Monetisation of non electrical segment assets

b. Financial Risks :

The high cost of capital in India today poses a significant threat to the margins of the business. Your Company is also taking necessary steps to improve its financial leverage.

c. Foreign Exchange Risks :

The rupee was stable during the course of the financial year and there was no adverse impact on your Company's financials.

d. Contractual Risks :

Your Company has entered into certain large value supply and turnkey contracts with governmental agencies and private parties which incorporate stringent conditions with regard to supply, (construction, erection and commissioning in the case of project contracts), performance and warranty. All contracts are assessed before acceptance to ensure compliance and the capability to perform.

e. Asset protection :

The Company has ensured that the assets are properly safeguarded against all insurable risks using appropriate valuation methods and the adequacy of the same is reviewed periodically with the assistance of independent outside agencies.

B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The objective of the internal control systems is to ensure optimal use of resources, safeguard your Company's assets, exercise control, and minimise system deficiencies and weaknesses. Internal Audit is

carried out by an independent professional audit firm to review all aspects of the internal control system and adherence to policies and procedures. The Audit Committee of the Board of Directors reviews the internal audit reports and the implementation of corrective actions and also addresses all aspects of your Company's functioning from this perspective as required under SEBI and Company Law guidelines.

C. OUTLOOK:

With the new Government, it is expected that the Power Sector will be given support to achieve the required infrastructure expansion in generation, transmission and distribution.

The strategy of certain large global customers to maintain a balance in the supply base between India and China means added export opportunities for your company's products.

The main threats in the near term are :

- Any further delays will further squeeze your Company's already precarious liquidity position
- The inadequate co-operation from the bankers.
- Over capacity in Indian market
- Multiplicity of duties and taxes

D. CAUTIONARY STATEMENT:

Statements in the Management's Discussion and Analysis Report describing your Company's projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include demand-supply conditions, raw material and fuel and energy prices, changes in Government regulations, tax regimes, and economic developments within the Country and other markets where your Company operates.



ANNEXURE - 2 TO BOARD'S REPORT REPORT ON CORPORATE GOVERNANCE

(As required under the Revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

1. Company's Philosophy on Corporate Governance

The Board of Directors and the Management commit themselves and your Company to:

- Transparency, professionalism and accountability in all dealings with customers, employees, shareholders and other stakeholders.
- Striving for larger shareholder participation in all its endeavours with an effective mechanism to redress their grievance.
- Abiding by sound corporate governance principles as enunciated in Clause 49 of the Listing Agreement as well as general practise.
- Being a responsible and socially committed corporate citizen.

2. Board of Directors

Composition and category of Board of Directors and their attendance at Board Meetings and last AGM and details of memberships in other Boards and Board Committees.

Name of the Director	Category	No. of Board Meetings Attended	Attendance at the Last AGM	No. of Directorships in other companies	Membership in other boards	Committees Membership (Inclusive of WSI)	No of Shares in the Company and % held
V. Srinivasan	NI-NE	6	Yes	2	4	1	446453 / 2.11
K.Raman	IN-NE	6	Yes	1	1	2	-
G.Balasubramanyan	IN-NE	6	Yes	2	3	1	-
S. Suresh	NI-Ex	6	Yes	0	-	-	-

NI – Non Independent, IN – Independent, NE – Non-Executive, Ex-Executive

Mr. S. Suresh resigned from the Board wef 07/08/2015.

None of the Directors are related to each other.

As on 26th June 2015, the Board has inducted Mr.K.Rajasekar and Ms.Hema Pasupatheeswaran as Additional Directors.

Six Meetings of the Board were held during the year under review on 29/11/2014, 17/12/2014, 24/12/2014, 24/01/2015, 13/02/2015 and 27/03/2015. 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 last Annual General Meeting was held on 27th March 2015.

3. Selection of Independent Directors

Eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The details for the appointment of Independent Directors are available in the Company's website www.wsindustries.in/KYC.

4. Familiarization programs for Board Members

The Board members are provided with necessary documents, reports and internal policies to enable them to become familiar with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year.



5. Meetings of Independent Directors

The Company's Independent Directors meet separately atleast once in every Financial Year. One formal and several informal meetings were held during the year under review to discuss matters pertaining to the Company's affairs.

6. Code of Conduct

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code is available on the Company's website www.wsindustries.in/KYC. The Code has been circulated to Directors and Management Personnel, and compliance is affirmed by them annually. A declaration signed by the Company's Chairman is published in this Report.

7. Board Committees

Audit Committee

Mr.G.Balasubramanyan - Chairman (wef 14/08/2015)

Mr.K.Raman

Mr.V.Srinivasan

Nomination & Remuneration Committee

Mr. K.Raman - Chairman

Mr.G.Balasubramanyan

Mr.V.Srinivasan

Stakeholders' Relationship Committee

Mr.V.Srinivasan

Mr.K.Raman

Risk Management Committee

The Risk Management responsibilities have been delegated to the Audit Committee.

8. Meetings of the Board Committees held during the period under Review and the Directors' attendance

Name of the Director	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Risk Management Committee
Mr. V.Srinivasan	6	1	1	1
Mr.K.Raman	6	1	1	1
Mr.G.Balasubramanyan	6	1	1	1

**9. Procedure at Committee Meetings**

The Company's guidelines relating to Board meetings are applicable to Committee meetings as relevant. Each Committee has the authority to engage outside experts, advisors and counsel to the extent it considers appropriate to assist in its function. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting.

10. Committees and their terms of reference**i. Audit Committee****Terms of reference**

The Audit Committee of your Company functions under the mandate stipulated under Clause 49 of the Listing Agreement and the Companies Act, 2013, which includes reviewing and taking corrective actions as and when required, in consultation with the Internal Auditors. The Internal Auditor submits his reports to the Audit Committee.

The Committee's scope includes the following:

- Critically examining your Company's Financial Reporting process and disclosure of Financial Information to ensure the adequacy and credibility of the Financial Statements.
- Reviewing with Management and Auditors, the Quarterly, Half-yearly and Annual Financial Statements before their submission to the Board.
- Reviewing the adequacy of internal control systems, findings of Internal Audit and the actions taken thereof.

ii. Nomination and Remuneration Committee

This Committee was constituted to comply with the requirement under Section 178 (1) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Terms of reference

The Committee's terms of reference are in compliance with provisions of the Companies Act, 2013, Clause 49 of the Listing Agreement, which broadly include the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.

Remuneration policy

The Remuneration Committee determines and recommends to the Board, the quantum of remuneration including incentives and perquisites payable to Wholetime Directors.

The details of remuneration paid to the Directors for the 6 months period ended together with the shareholding details of the non-executive Directors as on 31st March 2015 are as under:

**Executive Directors**

(In Rs.)

Name of Director	Salary	Incentive	Perquisites *
S. Suresh**	521347	NIL	8,46,813

** Resigned w.e.f 7.8.2015

* Does not include contribution to Provident and Superannuation & Gratuity Funds.

Non-executive Directors:

Name of Director	Sitting fees Paid For Board/Committee meetings (Rs.)	Shares Held in the Company (Nos.)
V.Srinivasan	95,000	446453
K.Raman	1,25,000	Nil
G.Balasubramanyan	1,00,000	Nil

No other fees or other remuneration was paid by the Company to any of the non-executive Directors other than sitting fees. No convertible instruments are held by the non-executive Directors

iii. Stakeholders Relationship Committee

This Committee was constituted in accordance with the provisions of Section 178 (5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Terms of reference broadly include:

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share certificates
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, etc.
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable
- Perform such other functions as may be necessary or appropriate for the performance of its duties

11. Statutory Information

All the dividends of the earlier years, which have remained unclaimed, have since been transferred 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. Details of Final Dividend of 2008 and Dividend of 2009 remaining unclaimed as on 31.3.2015 are as under:

	No. of Shareholders	Total unclaimed Dividend (in Rs.)
Final Dividend 2008	2025	261497.00
Dividend 2009	1704	339132.00



12. General Body Meetings

Details of location and time of holding the last three Annual General Meetings are as under:

For the Financial year ended	Date & Time	Location
31.03.2012	13.8.2012 10.00 A.M	Bharatiya Vidya Bhavan, New No.18,20,22, (Old No.37-39), East Mada Street, Mylapore, Chennai - 600 004.
30.9.2013	11.2.2014 11.00 A.M	Bharatiya Vidya Bhavan, New No.18,20,22 (Old NO.37-39), East Mada Street, Mylapore, Chennai - 600 004.
30.09.2014	27.03.2015 10.00 A.M	Narada Gana Sabha, "Mini Hall, ' at No.314, TTK Road, Alwarpet, Chennai 600018

(2) Details of Special Resolutions passed at the last three Annual General Meetings:

Sl. No.	Date of AGM	Special Resolutions passed
1.	13.08.2012	Nil
2.	11.02.2014	1. Appointment of Mr. S. Suresh as the Whole time Director of your Company 2. Resolutions under Sections 180 (1)(c) and 180 (1)(a) of the Companies Act 2013.
3.	27.03.2015	1. Ratification of the appointment and remuneration of Mr.Narayan Sethuramon as Managing Director for a period from 24th July 2014 to 24th December 2014. 2. Resolution under Section 180(1) (a) of the Companies Act 2015.

13. Notes on Directors seeking appointment:

Name of the Director	Mr.K.Rajasekar	Mrs.Hema Pasupatheeswaran
Date of birth	05/08/1955	29/11/1972
Date of appointment	25/06/2014	25/06/2014
Qualification & Expertise	M.A. (History) with 34 years of experience in the Police Department. Retired as Deputy Superintendent of Police in the Tamil Nadu Police Department.	She is a Law Graduate from Coimbatore Law College, with Membership of the Institute of Company Secretaries of India. Was in law practice before she joined industry and has nearly 18 years of experience with various Companies.
Shareholding	Nil	Ni
Other Directorships	Nil	Nil
Membership of the Committees of the Board of other Companies	Nil	Nil



14. Means of Communication

- | | |
|---|--|
| i. Quarterly Results/ Half yearly / Audited | Communicated through advertisement in newspapers. |
| ii. Newspapers wherein results normally published | Business Standard and Maalaisudar (Tamil) |
| iii. Any Website where displayed | www.wsinsulators.com/KYC
www.bseindia.com, www.nseindia.com |
| iv. Any official news release published | No |
| v. Details of presentation made to Institutional Investors/Analysts | Nil |

15. General Shareholder Information

- | | |
|--|---|
| a. AGM - Date, Time & Venue | 30th September 2015 at 2.30 P.M. at Narada Gana Sabha Mini Hall, at No.314, TTK Road, Alwarpet, Chennai 600018 |
| b. Financial Year | 6 months' period from October 2014 to March 2015 |
| c. Book Closure Date | 22nd September 2015 to 29th September 2015 (Both days inclusive) |
| 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. Private 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, 17th 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 6 months period ended October 2014- March 2015: | |

Month	Year	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
		(In ₹)			
		High	Low	High	Low
October	2014	15.65	12.80	15.20	12.55
November	2014	25.50	14.70	26.15	14.45
December	2014	17.65	14.10	17.60	14.50
January	2015	16.97	14.91	17.40	14.50
February	2015	15.80	12.90	16.90	12.65
March	2015	13.10	10.46	13.15	10.05

- | | |
|---|---|
| g. Registrar and Share Transfer Agents: | Integrated Enterprises (India) Limited, 2nd Floor, Kences Towers, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai - 600 017.
Phone No: 044 - 28140801 |
|---|---|



- h. Share Transfer System
- Transfers of shares held in electronic form are done through the depositories by the share transfer agents without the involvement of your Company.
 - Transfers of shares in the physical form are done once in a fortnight.
 - The power to approve the transfer, transmission and other Share Certificate related matters has been delegated by the Board to Compliance Officer and her actions are ratified at the next Stakeholders' Relationship Committee Meeting.
 - Certificate under Clause 47(c) of the Listing Agreement 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 & National Stock Exchange.
 - 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 & National Stock Exchange.
- i. The Company complies with the SEBI (Prohibition of Insider Trading Regulation 2015 and has devised a code of conduct as applicable to the Directors, Promoters, Key Managerial Personnel, designated employees, connected persons and their immediate relatives..
- i. Distribution of Shareholding and Shareholding Pattern (as on 31.03.2015).

a) Distribution of Shareholding

CATEGORY	SHAREHOLDERS		SHARES	
	NUMBER	% TO TOTAL	NUMBER	% TO TOTAL
UPTO 5000	9629	98.56	2841004	13.44
5001-10000	70	0.72	492284	2.33
10001-20000	26	0.27	367566	1.74
20001-30000	10	0.10	241334	1.14
30001-40000	5	0.05	173942	0.82
40001-50000	0	0.00	0	0.00
50001 AND ABOVE	30	0.31	17023659	80.53
TOTAL	9770	100.00	21139789	100.00

b) Shareholding Pattern

Category	Number	Shares	% of Shares held
Promoters & Associates	18	9898485	46.82
Mutual Funds/FII's	4	1986077	9.39
Banks/Financial Institutions	8	73205	0.35
Other Bodies Corporate	173	670829	3.17
NRI/Foreign Companies	63	3412472	16.14
Public	9472	4731253	22.38
OTHERS			0.00
Insurance Company	1	344546	1.63
Trust	2	5050	0.02
Clearing Member	29	17872	0.08
TOTAL	9770	21139789	100.00



- | | |
|--|---|
| j. Dematerialisation of shares & liquidity | The shares of your Company can be held and traded in electronic form. 94.93% of your Company's Shareholding has been de-materialized as on 31st March 2015. |
| k. Outstanding GDRs / ADRs / Warrants or any convertible instruments conversion date and likely impact on equity | Nil |
| l. Plant Locations | <p>Unit I
108, Mount Poonamallee Road Porur, Chennai - 600 116. Tamil Nadu.</p> <p>Unit II
Plot No 31, AP SEZ, Duppituru Village, Atchutapuram Mandal, Visakhapatnam, Andhra Pradesh.</p> |
| m. Address for correspondence | |
| a) Share related matters | Integrated Enterprises (India) Limited
2nd Floor, Kences Towers, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai - 600 017.
Phone No: 044 - 28140801
corpserv@integratedindia.in |
| b) Other matters | 108, Mount Poonamallee Road, Porur, Chennai - 600 116.
sectl@wsinsulators.com |

Tentative Financial Calendar:

1st April, 2015 to 31st March, 2016 and next Annual General Meeting

Results for the quarter ending September 30, 2015 Within 45 days from the end of the quarter

Results for the quarter ending December 31, 2015 Within 45 days from the end of the quarter

Results for the quarter ending March 31, 2016 Audited Results within 60 days from the end of the quarter

Annual General Meeting September 2016

16. Compliance Certificate on Clause 49 of the Listing Agreement from the Auditors

Certificate from the Company's Auditors, M/s. S.Viswanathan, Chartered Accountants, confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to this Report.

17. Adoption of Mandatory requirements of Clause 49

The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.

18. Whole Time Director and CFO Certification

The Whole Time Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement.

The Whole Time Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.



ANNEXURE TO THE BOARD'S REPORT

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 2014-15.

Place: Chennai
Date: 14th August 2015

Chairman

ANNEXURE TO BOARD'S REPORT

M/s. S. VISWANATHAN
Chartered Accountants
8A, Bishop Wallers Avenue (West),
Mylapore, Chennai - 600 004.

**W.S. INDUSTRIES (INDIA) LIMITED
AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

Governance by W.S. Industries (India) Limited, for the 6 months period ended 31st March 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by your 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.

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.

We state that no investor grievance is pending for period exceeding one month against your Company, as per the records maintained by Shareholders / Investors Grievance Committee.

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 M/S. S.VISWANATHAN
Chartered Accountants
Firm Regn. No.004770S

Chella K. Srinivasan
Partner
Membership Number: 023305

Place : Chennai
Date: 14th August 2015



**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 transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the period ended 31st March 2015 which were not at arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis:

There were no "material"* contracts or transactions during the period ended 31st March 2015 which requires reporting

* Materiality for this purpose is taken at >10% the Annual Turnover.

For and on behalf of the Board

V. SRINIVASAN
Chairman

Place : Chennai
Date: 14th August 2015



ANNEXURE - 4 TO BOARD'S REPORT

Information under Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules 2014 and forming part of the Directors' Report.

A. CONSERVATION OF ENERGY

- (a) Energy Conservation measures taken: Nil
- (b) Additional measures taken for reduction of consumption of energy: Nil
- (c) Impact of the measures at (a) (b) and (c) above, for reduction of energy consumption and consequent impact on the cost of production of goods: Not applicable

B. TECHNOLOGY ABSORPTION

I. Research & Development (R&D)

- a. New product development in the year 2013 – 14: Nil
- b. Benefits derived as a result of the above developments: Not applicable
- c. Future plan of action: Based on the financial position of the Company

II. EXPENDITURE ON R&D: (Rs. in million)

Capital	-
Recurring	0.99
Total	0.99

III. IMPORTED TECHNOLOGY: - Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a. The Company's Foreign Exchange Risk Management practices are covered under Annexure E – Management Discussion and Analysis Report.
- b. Total foreign exchange used and earned.

(Rs. in million)

EARNINGS	
Exports	15.63
Others	-
Total	15.63
OUTGO	
Import of Raw Materials and Components	-
Others (Including machinery imports)	0.05
Total	0.05
NET EARNINGS	15.58

For and on behalf of the Board

V. SRINIVASAN
Chairman

Place : Chennai
Date: 14th August 2015



**ANNEXURE - 5 TO BOARD'S REPORT
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended 31.03.2015

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**

I. REGISTRATION & OTHER DETAILS:

1. CIN	L29142TN1961PLC004568
2. Registration Date	23.08.1961
3. Name of the Company	W.S. Industries (India) Limited
4. Category/Sub-category of the Company	Public Company Limited by shares
5. Address of the Registered office & contact details	No.108, Mount Poonamallee Road, Porur, Porur, Chennai 600 116
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Integrated Enterprises India 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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Insulators	2733	74%
2	Turnkey Projects	4321	26%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	W.S.T&D Limited	U74999TN2008 PLC067646	Wholly owned Subsidiary Company	100%	2(87)
2	W.S.Electric Limited	U74210TN1984 PLC011124	Step subsidiary	Nil	2(87)



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Associates									
(1) Indian									
a) Individual/ HUF	778396	-	778396	3.682	778396	-	778396	3.682	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	8870748	-	8870748	41.962	8870748	-	8870748	41.962	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub – total (A) (1):	9649144	-	9649144	45.644	9649144	164660	9649144	45.644	-
(2) Foreign									
a) NRIs- Individuals	249341	-	249341	1.179	249341	-	249341	1.179	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub – total(A) (2):-	249341	-	249341	1.179	249341	-	249341	1.179	-
Total Shareholding of Promoters & Associates (A) = (A1)+(A2)	9898485	-	-	-	9898485	-	9898485	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	400	400	0.02	-	400	400	0.02	-
b) Banks / FI	71033	2172	73025	0.346	71033	2172	73205	0.346	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	344546	-	344546	1.630	344546	-	344546	1.630	-
g) FIs	1985577	100	1985577	9.393	1985577	100	1985577	9.393	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	2401156	2672	2403828	11.371	2401156	2672	2403828	11.371	-



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3584849	394466	3979315	18.284	3577296	394466	3971762	18.788	0.504
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2620178	563455	3183633	15.060	2570217	559634	3129851	14.805	0.255
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1541983	114356	1656339	7.835	1598585	114356	1712941	8.103	0.268
c) Others (specify)									
Clearing Member	2450	-	2450	0.012	1933	-	1933	0.009	0.003
Corporate	-	-	-	-	-	-	-	-	-
Clearing / Trading Member -Marging A/c	6101	-	6101	0.029	10806	-	10806	0.051	0.022
Beneficiary A/c	4588	-	4588	0.022	5133	-	5133	0.024	0.002
Trust	5050	-	5050	0.024	5050	-	5050	0.024	-
Sub-total (B)(2):-	7765199	1072277	8837476	41.80	7769020	1068456	8837476	41.80	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	10166355	1074949	11241304	53.176	10170176	1071128	11241304	53.176	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	20064840	1074949	21139789	100	20068661	1071128	21139789	100	



ii) Shareholding of Promoters-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during 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	
1	Mr.V.Srinivasan	446453	2.11	-	446453	2.11	-	-
2.	Mrs.Vidya Srinivasan	25750	0.12	-	25750	0.12	-	-
3.	Mr.Murali Venkatraman	11359	0.05	-	11359	0.05	-	-
4.	Mr.Narayan Sethuramon	291701	1.38	1.37	291701	1.38	1.37	-
5.	Shriram Murali	3133	0.01	-	3133	0.01	-	-
6.	Bluechip Investments Private Limited	4096138	19.38	6.75	4096138	19.38	6.75	-
7.	W S International Private Limited	1119798	5.30	-	1119798	5.30	-	-
8.	Galaxy Investments Private Limited	889178	4.21	4.20	889178	4.21	4.20	-
9.	Vensunar Holdings Private Limited	820115	3.88	-	820115	3.88	-	-
10.	W S I Holding Private Limited	754859	3.57	-	754859	3.57	-	-
11.	Vensunar Private Limited	365000	1.73	1.73	365000	1.73	1.73	-
12.	Trala Electromech Systems Pvt Ltd	262470	1.24	-	262470	1.24	-	-
13.	Murali Consultancy Services Private Limited	82131	0.39	-	82131	0.39	-	-
14.	W S Test Systems Private Limited	81057	0.38	-	81057	0.38	-	-
15.	Tractors & Farm Equipment Limited (Associate)	400002	1.89	-	400002	1.89	-	-
16.	Mrs.Suchitra Murali Balakrishnan	249341	1.18	-	249341	1.18	-	-
	Total	9898485	46.82	14.05	9898485	46.82	14.05	-


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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	9898485	46.82	9898485	46.82
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			No change in the shareholding	
3.	At the End of the year	9898485	46.82	9898485	46.82

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	Shareholder's Name	Shareholding at the Beginning of the Year		Date	Increase/ Decrease in shareholding	% of Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)	
		No. of Shares	% of Total Shares of the Company					No. of Shares	% of Total Shares of the Company
1	Credit Renaissance Fund Ltd.	25,20,000	11.92	-	-	-	-	25,20,000	11.92
2	East Sail	19,85,577	9.39	-	-	-	-	19,85,577	9.39
3	Credit Renaissance Development Fund L.P.	6,30,000	2.98	-	-	-	-	6,30,000	2.98
4	Mr. Hitesh Ramji Javeri	6,10,000	2.89	-	-	-	-	6,10,000	2.89
5	Oriental Insurance Company Limited	344546	1.63	-	-	-	-	344546	1.63
6	Premier Housing and Ind Enterprises Ltd.	1,75,000	0.83	-	-	-	-	1,75,000	0.83
7	Saligram Stocks and Services Private Limited	1,41,126	0.67	09.01.2015	500	0.002	Sale	1,40,626	0.67
8	Mr. Harsha Hitesh Javeri	1,40,791	0.67	17.10.2014	209	0.001	Purchase	1,41,000	0.67
9	Mr.Chetan Dhiresbhai Shah	1,21,227	0.57	-	-	-	-	1,21,227	0.57
10	Trench Germany Gmbh	1,00,000	0.47	-	-	-	-	1,00,000	0.47



(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 of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	446453	2.11	446453	2.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		No change in the shareholding		
	At the End of the year	446453	2.11	446453	2.11

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment. (₹ in million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2563.08	-	25.00	2588.08
ii) Interest due but not paid	157.71	-	-	157.71
iii) Interest accrued but not due	126.98	-	-	126.98
Total (i+ii+iii)	2847.77	-	25.00	2872.77
Change in Indebtedness during the financial year				
* Addition	507.91	-	-	507.91
* Reduction	-	-	25.00	(25.00)
Net Change	507.91	-	25.00	482.91
Indebtedness at the end of the financial year				
i) Principal Amount	2917.67	-	-	2917.67
ii) Interest due but not paid	344.30	-	-	344.30
iii) Interest accrued but not due	93.71	-	-	93.71
Total (i+ii+iii)	3355.68	-	-	3355.68



vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (for the period from October 2014 - March 2015)

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

(in ₹)

SI.No.	Particulars of Remuneration	Name of the WTD	Total Amount
		Mr.S.Suresh	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	521,347	521,347
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8,46,813	8,46,813
	(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 (A)	1,368,160	1,368,160
	Ceiling as per the Act	-	-

B. Remuneration to other directors

(in ₹)

SI. No.	Particulars of Remuneration	Name of Directors		Total Amount
		K. Raman	G. Balasubramanyan	
1	Independent Directors Sitting Fee for attending board committee meetings Commission Others, please specify	1,25,000 Nil	1,00,000 Nil	2,25,000 Nil
	Total (1)	1,25,000	1,00,000	2,25,000
2	Other Non-Executive Directors Sitting Fee for attending board committee meetings Commission Others, please specify	V. Srinivasan 95,000 Nil		95,000 Nil
	Total (2)	95,000		95,000
	Total (B)=(1+2)	3,20,000		3,20,000
	Total Managerial Remuneration (A + B)	Nil		
	Overall Ceiling as per the Act			



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(for the period from October 2014 - March 2015)

(in ₹)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS*	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	301,398	371,550	672,948
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	394,065	969,018	1,363,083
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	Nil	Nil	Nil
3	Sweat Equity	-	Nil	Nil	Nil
4	Commission - as % of profit others, specify...	-	Nil	Nil	Nil
5	Others, please specify	-	-	-	-
	Total	-	695,463	1,340,568	2,036,031

* wef November 12th 2014

VII.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year ended 31st March, 2015, no penalties were levied or punishment / compounding fee imposed by the Regional Director / Court on the Company / Directors / Officers in Default.



ANNEXURE - 6 TO BOARD'S REPORT
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To the Members
W.S. INDUSTRIES (INDIA) LIMITED
108, MOUNT POONAMALEE ROAD
PORUR, CHENNAI 600116

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 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by W.S. Industries Limited ("the Company") for the financial year ended on 31st March, 2015 according to the provisions as applicable to the Company during the period of audit:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- (iv) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (v) There are no laws/ Regulations (as amended from time to time), as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable for the audit period).**
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges, where the equity shares of the Company are listed.



It is reported that during the period under review, the Company has generally been regular in complying with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., subject to following namely:

1. The appointment of woman director was made only during the financial year 2015– 16.
2. The appointment of Key Managerial Personnel was made only during the financial year 2015 – 16.
3. The company is in the process of updating certain areas relating to the revised Clause 49 of the Listing Agreement/ Companies Act, 2013.

We further report that there were no actions/events occurred which requires the compliance of the following legislations namely: -

- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

We further report that, on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, the company is in the process of strengthening the system, process and control mechanism to monitor and ensure compliance with applicable other general laws including Industrial Laws, Environmental Laws, Human Resources and labour 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:

The Board of Directors of the Company is generally well constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors subject to the observation made above. There was no change in the composition of the Board of Directors that took place during the period under review.

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.

According to the information, explanation given by the Management, all decisions at Board Meetings and Committee Meetings are carried out unanimously.

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

- The company has made an application to BIFR for declaring itself as a SICK Company.
- The company has received a Notice from Regional Director, Southern Region, Chennai consequent to the complaint lodged by one of its creditor IDBI Trusteeship Services Limited for non-payment of Debenture interest due and the company is taking necessary steps to resolve the above complaint.

For **LAKSHMMI SUBRAMANIAN & ASSOCIATES**
Lakshmmi Subramanian

Senior Partner
C.P.NO. 1087

Place: Chennai
Date: 14.08.2015

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



ANNEXURE-A

To the Members
W S Industries Limited
108, MOUNT POONAMALEE ROAD
PORUR, CHENNAI 600116

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 management. Our examination was limited to the verification of procedures on 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
C.P.NO. 1087

Place: Chennai
Date: 14.08.2015



INDEPENDENT AUDITORS' REPORT

To the Members of W.S. INDUSTRIES (INDIA) LTD

Report on the Financial Statements

We have audited the accompanying financial statements of W.S. Industries (India) Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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,

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of Statement of Profit and Loss, of the LOSS for the period ended on that date and
- c) in the case of Cash flow Statement, of the cash flows for the period ended on that date;



Emphasis of Matter

Without qualifying our opinion, we draw your attention that the accumulated losses of the company is more than 100% of the net worth of the company, requiring reference to BIFR.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 and the Cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) 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:
 - (g) There has been a delay in transferring the amount of unclaimed dividend, required to be transferred, to the Investor Education and Protection Fund by the company.

17, Bishop Wallers Avenue (West)
CIT Colony, Mylapore,
Chennai – 600 004

Place: Chennai
Date: 30th May, 2015

For M/S. S.VISWANATHAN
Chartered Accountants
Firm Regn. No.004770S

Chella K. Srinivasan
Partner
Membership Number: 023305



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the period ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner at reasonable intervals by the management. According to the information and explanations given to us, no material discrepancies were observed by the management on such verification.
- (ii) (a) The stock of inventory has been physically verified by the management at reasonable intervals during the period. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size and nature of its business.
- (c) The company is maintaining proper records of inventory. No material discrepancy was noticed on such physical verification.
- (iii) (a) 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 any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Consequently the provisions of clause (iii) (a) (b) and (c) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public and hence this clause is not applicable to the company.
- (vi) Central Government has prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act and such accounts and records have been prepared and maintained by the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess and other material statutory dues **have not been regularly deposited during the period by the Company with the appropriate authorities.** As explained to us, the Company has dues on account of employees' state insurance, Provident fund, income tax, sales tax, service tax, value added tax, cess and other material dues



According to the information and explanations given to us, there are undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable:

S.NO.	NATURE OF DUES	AMOUNT OUTSTANDING FOR MORE THAN SIX MONTHS (IN ₹)
1	PROVIDENT FUND	24,31,836
2	SALES TAX-VAT	6,25,471
3	SALES TAX-CST	2,45,729
4	TDS	1,13,28,910
5	PROPERTY TAX	4,28,632
6	PROFESSIONAL TAX	9,37,633
7	GRATUITY TO LIC	1,78,45,737
	TOTAL AMOUNT OUTSTANDING	3,38,43,948

- (b) According to the information and explanations given to us, there are material dues of Income tax which have not been deposited with the appropriate authorities on account of any dispute.

Name of the Statute	Nature of dues	Amount (₹ in millions)	Forum where dispute is pending
Income Tax Act	Income Tax	0.40	High Court

- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under, there has been a delay in transfer to such fund.
- (viii) The Company has **accumulated losses as at the end of the period, which are more than 100% of the net worth of the company**, and has incurred cash loss during the period and also during the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has defaulted in repayment of dues to its banks/ financial institutions, to the extent of the following:
- An amount of Rs. 867.12 Million towards principal has fallen due on 31st March 2015 (including Rs.407.12 Million fallen due on 31st March 2014)
 - An amount of Rs. 260.99 Million towards interest has fallen due on 31st March 2015 (including Rs.118.03 Million fallen due on 31st March 2014).
 - An amount of Rs.83.31 Million towards interest on NCD has fallen due on 31st March 2015 (including Rs. 30.67 Million fallen due on 31st March 2014).



- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loan taken by the company were applied for the purpose for which they have been obtained.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

17, Bishop Wallers Avenue (West)
CIT Colony, Mylapore,
Chennai – 600 004

For M/S. S.VISWANATHAN
Chartered Accountants
Firm Regn. No.004770S

Place: Chennai
Date: 30th May, 2015

Chella K. Srinivasan
Partner
Membership Number: 023305



BALANCE SHEET AS AT 31ST MARCH 2015

₹ in Million

	Notes	THIS YEAR		PREVIOUS YEAR	
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
Share Capital	5	338.90		338.90	
Reserves and Surplus	6	(917.48)	(578.58)	(370.46)	(31.56)
2. Non-current liabilities					
Long Term Borrowings	7	897.31		713.44	
Deferred Tax Liability	8	-	897.31	15.00	728.44
3 Current Liabilities					
Short Term borrowings	9 (a)	419.71		752.52	
Trade payables	9 (b)	533.57		621.08	
Other Current Liabilities	9 (c)	2427.03		1919.95	
Short Term provisions	9 (d)	59.07	3439.38	48.75	3342.30
TOTAL			3758.11		4039.18
II ASSETS					
1 Non-current assets					
Fixed Assets					
i) Tangible assets	10 (a)	1859.36		2013.75	
ii) Capital Work in Progress	10 (b)	6.84	1866.20	6.82	2020.57
Non-current investments	10 (c)		0.50		0.50
Long Term Loans and advances	10 (d)		9.74		10.77
Other non-current assets	10 (e)		13.03		16.61
2 Current Assets					
i) Inventories	11(a)	259.79		304.02	
ii) Trade receivables	11 (b)	444.29		475.00	
iii) Cash and cash equivalents	11 (c)	11.93		19.21	
iv) Short term loans and advances	11 (d)	1143.76		1185.20	
v) Other Current Assets	11 (e)	8.85	1868.64	7.30	1990.73
TOTAL			3758.11		4039.18
Significant Accounting Policies & Notes on Financial Statements	1 to 36				

As per our Report of even date for **M/s. S. VISWANATHAN** Chartered Accountants Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

For and on behalf of the Board

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

₹ in Million

	Notes	6 Months ended 31st March 2015		12 Months ended 30th Sept. 2014	
1 Revenue from Operations (Gross)					
Sales and Other Operating income	13	102.73		1187.06	
Less: Excise Duty		<u>3.15</u>	99.58	<u>47.32</u>	1139.74
2 Other Income	14		20.78		160.72
3 Total Revenue (1+2)			<u>120.36</u>		<u>1300.46</u>
4 EXPENSES					
Cost of Materials consumed	15	76.89		897.81	
Changes in Inventories of Finished Goods and Work-in-Progress	16	25.90		187.42	
Employee Benefit expense	17	135.61		283.17	
Finance Costs	18	236.06		470.34	
Depreciation and Amortization expenses		62.86		99.50	
Other expenses	19	<u>67.51</u>	604.83	<u>264.42</u>	2202.67
5 PROFIT / (LOSS) BEFORE TAX (3 - 4)			(484.47)		(902.21)
6 Tax expense					
i) Current tax			-		-
Deferred Tax		<u>(15.00)</u>	(15.00)	<u>(17.10)</u>	(17.10)
7 PROFIT / (LOSS) AFTER TAX (5 - 6)			(469.47)		(885.11)
8 Earnings per equity share (in ₹):					
i) Basic			(22.78)		(42.44)
ii) Diluted			(22.78)		(42.44)
Significant Accounting Policies & Notes on Financial Statements	1 to 36				

As per our Report of even date for **M/s. S. VISWANATHAN** Chartered Accountants Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

For and on behalf of the Board

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2015

₹ in Million

	THIS YEAR	PREVIOUS YEAR
A CASH FROM OPERATING ACTIVITIES:		
NNet Profit / (Loss) before Taxes	(484.47)	(902.21)
Adjustments for:		
Add:		
Loss on Fixed Assets Discarded/sold	14.04	41.05
Depreciation	62.86	99.50
Interest and Financial Charges (Net)	236.06	470.34
	<u>(171.51)</u>	<u>(291.32)</u>
Less:		
Profit on sale/write off of Investments	-	136.50
Profit on sale of Assets	-	21.61
Operating Profit before Working Capital changes	(171.51)	(449.43)
Increase/(Decrease) in Working Capital:		
(Increase)/Decrease in inventories	44.22	213.61
(Increase)/Decrease in Sundry Debtors	30.70	18.83
(Increase)/Decrease in other Current Assets	44.50	224.98
Increase/(Decrease) in Liabilities and Provisions	(197.30)	461.56
Net cash from operating activities	<u>(249.39)</u>	<u>469.55</u>
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (including interest capitalised)	(0.07)	(0.72)
Sale/ reduction in value of Fixed Assets	0.01	34.12
Sale of Investments	-	137.39
Net Cash (used in) / from Investing activities	<u>(0.06)</u>	<u>170.79</u>



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2015

in ₹ Million

	THIS YEAR	PREVIOUS YEAR
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/decrease in secured Loans	896.05	242.99
Increase/decrease in Unsecured Loans	(25.00)	(290.41)
Increase/(Decrease) in working Capital from Banks	(392.81)	(119.74)
Interest and financing charges paid	(236.06)	(470.34)
Net Cash from Financing Activities	242.18	(637.51)
NET INCREASE IN CASH AND CASH EQUIVALENTS (i)	(7.27)	2.84
Cash and Cash Equivalents as at the beginning of the year	19.21	16.37
Cash and Cash Equivalents as at the close of the year	11.93	19.21

Notes on Cash Flow Statement:

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

CASH AND BANK BALANCES	11.93	19.21
UNREALISED (GAIN)/LOSS	-	-
CASH AND BANK BALANCES RESTATED AS ABOVE	11.93	19.21

As per our Report of even date
for **M/s. S. VISWANATHAN**
Chartered Accountants
Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

For and on behalf of the Board

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015

**Notes forming part of the Balance Sheet as at 31st March 2015 and Statement of Profit and Loss for the period ended 31st March 2015.**

Note

1 SIGNIFICANT ACCOUNTING POLICIES**General****(a) Basis of Presentation**

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

(b) Fixed Assets

Fixed Assets 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).

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

(c) 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.

(d) 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 and certified by the Chairman.

Others:

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

Others:

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

(e) 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 Accounting Standard 11 and Companies (Accounting Standards) Amendment Rules, 2009.

**(f) Sales:**

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

(g) 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.

(h) Amortization of Deferred Revenue Expenditure:

Expenditure incurred under Voluntary Retirement are expensed over a period of five years.

(i) 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.

(j) Impairment of Assets

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

(k) Deferred Tax:

Deferred Tax is recognized on timing differences, being the difference between taxable income and accounting income 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.

(l) 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 Accounting Standard 19.

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

(m)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.

2 Loss from Operations

During the year under review:

- a) cost of all inputs increased significantly.
- b) non-availability of adequate Working Capital has affected the operations of the company.
- c) The Vizag Plant of the Company has borne material damage arising out of Hud Hud cyclone in Oct. 2014. This includes damage to the building infrastructure, raw materials, work-in-progress, finished goods, flooding as well as breakage caused by the impact of the cyclonic wind. Insurance claim for the damages and losses have been filed.

However, the company is pursuing its turn around plans and thus revive the operations. Once the turn around plan is successfully implemented, the company is expected to revive its operations.

3 SEGMENT

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

- 4 The figures for the current year are for a period of 6 months while those of the previous year are for a period of 12 months and hence are not directly comparable.



		THIS YEAR	PREVIOUS YEAR
Note 5			
SHARE CAPITAL			
Authorised			
35,000,000	Equity Shares of ₹ 10/- each	350.00	350.00
1,500,000	Cumulative Redeemable Preference Shares of ₹ 100/- each	150.00	150.00
		500.00	500.00
Issued, Subscribed and Paid - up:			
21,139,789	Equity Shares of ₹ 10/- each fully paid-up	211.40	211.40
1275000	Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid-up	127.50	127.50
	TOTAL	338.90	338.90

Reconciliation of Shares outstanding at the beginning and at the end of the year:

	No. of shares	Value (₹ in million)	No. of shares	Value (₹ in million)
Equity Shares:				
At the beginning and end of the year	21,139,789	211.40	21,139,789	211.40
Preference Shares:				
At the beginning and end of the year	1,275,000	127.50	1,275,000	127.50

Shareholders holding more than 5% shares in the company:

Name of Shareholder	Equity Shares			
	As at 31st March 2015		As at 30th Sept., 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
W.S. International (P) Ltd.	1,119,798	5%	1,119,798	5%
Blue Chip Investments (P) Ltd.	4,096,138	19%	4,096,138	19%
Credit Renaissance Fund Ltd.	2,520,000	12%	2,520,000	12%
East Sail	1,985,557	9%	1,985,557	9%

Name of Shareholder	Preference Shares			
	As at 31st March 2015		As at 30th Sept., 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Credit Renaissance Fund Ltd.	760,000	60%	760,000	60%
Credit Renaissance Development Fund L.P.	165,000	13%	165,000	13%
Vensunar (P) Ltd.	350,000	27%	350,000	27%

The 925,000 Non-convertible, Redeemable and cumulative Preference Shares of Rs.100/- each fully paid up with coupon rate of 5% / 7.5% subscribed by the Overseas Investors, viz., Credit Renaissance Fund Ltd. and Credit Renaissance Development Fund L.P. and due for redemption on 3rd October 2014 has been extended by the above shareholders for a further period of one year, i.e., upto 2nd October 2015.

350,000 Non-convertible, Redeemable and cumulative Preference Shares Rs. 100/- each fully paid up with a coupon rate of 10% subscribed by Vensunar (P) Ltd. is due for redemption on 28th February 2018.



	As at 31st March 2015	As at 30th Sept., 2014
Note 6		
Reserves & Surplus		
a. Capital Reserves		
As per Last Balance Sheet	9.95	9.95
b. Share Premium Account		
As per Last Balance Sheet	180.50	180.50
c. Revaluation Reserve		
As per Last Balance Sheet	664.11	-
Additions during the year	-	664.11
Less: Withdrawn during the year	-	-
Closing Balance	664.11	664.11
d. Capital Redemption Reserve		
As per Last Balance Sheet	176.16	176.16
Add: Transfer from Statement of Profit and Loss	-	-
	176.16	176.16
e. Special General Reserve		
As per Last Balance Sheet	25.81	25.81
f Surplus in Statement of Profit and Loss		
Balance as per last Profit and Loss Account of the previous year	(1426.99)	(541.88)
Profit / (Loss) for the year	(469.47)	(885.11)
	(1896.47)	(1426.99)
Less: Additional Depreciation on Opening Block of Assets as on 01/10/2014 as per the new Companies Act, 2013	77.54	-
Net Surplus / (Deficit) in Statement of Profit and Loss	(1974.01)	(1426.99)
Total Reserves and Surplus	(917.48)	(370.46)

	THIS YEAR	PREVIOUS YEAR
Note 7		
NON CURRENT LIABILITIES		
LONG TERM BORROWINGS		
Secured		
i Non Convertible Debentures	114.60	114.60
ii Term Loans from Banks	477.31	268.39
iii Term Loans from other than Banks	305.40	305.45
TOTAL	897.31	688.44

The above Term Loans and Current maturities of 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:

- Term Loans availed and outstanding to banks, aggregating to ₹ 472.37 million are secured by the first charge on the block assets of the company situated at the Chennai plant except to the extent of 15.08 acres of land on pari passu basis.
- Working Capital Term Loans and Funded Interest Term Loans restructured during the year by banks and outstanding to banks, aggregating to ₹ 738.29 million 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 on pari passu basis.
- Security has been created on NCD of ₹ 240 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 ₹ 797.50 million on the block assets of the company situated at the Vizag Plant and on 5 acres of land situated at Porur, Chennai on pari passu basis among these lenders and pledge of 29,70,000 equity shares of the Promoters.
- Security Receipts of ₹ 249.62 million classified as Term Loan from other than Banks are secured by Block Assets of the company situated at Chennai except for 15.08 acres of land and also secured by block assets of the company situated at Vizag.

Terms of Repayment

Outstanding Bank Term Loans are payable in terms of the restructuring schedules agreed to with the banks.

For NCD, and loan to the tune of ₹ 797.50 million availed from NBFC & ARC Trust specific repayment terms are in place per the agreements executed with them.

For the Security Receipt of ₹ 249.62 million, term of the SR is linked to the proceeds of sale of land.

	THIS YEAR	PREVIOUS YEAR
b Unsecured		
Inter Corporate Deposit	-	25.00
	-	25.00

Note 8

DEFERRED TAX LIABILITIES

Transfer to / (from) Deferred Tax is mainly on account of variation of allowances for tax purposes in:

- Depreciation	-	15.00
- Total	-	15.00

	THIS YEAR	PREVIOUS YEAR
Note 9		
CURRENT LIABILITIES		
a Short Term Borrowings		
Secured		
Working Capital Borrowings from Banks	359.71	752.52
Others	60.00	-
TOTAL	419.71	752.52

Working Capital facilities from Consortium of Banks, for Chennai and Vizag Units and for Turnkey Projects Division availed consisting of Cash Credit, Packing Credit, WCDL and FCNRB are secured by the Hypothecation of Stocks of Raw Materials, Stores, Spares (not relating to Plant and Machinery), Work-in-Progress, Finished Goods, Book Debts and Documentary Bills. They are further secured by a Second Charge on the block assets of the company situated at Chennai unit except to the extent of 15.08 acres of land on which charge has been ceded, ranking pari-passu among themselves.

b Trade payables

Trade payables	533.57	621.08
	533.57	621.08

c Other Current Liabilities

i Current maturities of Long Term Loans*	1600.65	1122.12
ii Interest accrued but not due on loans	93.71	126.98
iii Interest accrued and due on loans @	260.99	112.33
iv Unclaimed Dividend	0.91	0.91
v Creditors for Capital Expenditure	4.77	10.73
vi Advance from customer	103.12	256.40
vii Interest accrued and due on NCDs #	83.31	45.38
viii Other payables subsidiary	7.21	-
ix Other payables	270.36	243.10
x Advance received towards sale of land	2.00	2.00
TOTAL	2427.03	1919.95

* Period and amount of dues: ₹ 867.12 Million has fallen due on 31st March 2015 (including ₹ 407.12 Million fallen due on 31st March 2014)

@ Period and amount of dues: ₹ 260.99 Million has fallen due on 31st March 2015 (including ₹ 118.03 Million fallen due on 31st March 2014)

Period and amount of dues: ₹ 83.31 Million has fallen due on 31st March 2015 (including ₹ 30.67 Million fallen due on 31st March 2014)

d SHORT TERM PROVISIONS

i Provision for Employee benefits	55.69	45.37
ii Income Tax (Net of payments)	3.38	3.38
TOTAL	59.07	48.75

	THIS YEAR		PREVIOUS YEAR	
Note 10				
NON-CURRENT ASSETS				
FIXED ASSETS				
a Tangible Assets	1859.36		2013.75	
b Capital work in Progress	6.84	1866.20	6.82	2020.57
Note: Please see Annexure enclosed for details				
c INVESTMENTS				
Non-current Investments				
Long Term Investments (at Cost)				
Unquoted :				
(i) Shares in Subsidiary Companies (fully paid-up)				
50,100 Equity Shares of face value of ₹ 10/- each in W.S.T & D Ltd.		0.50		0.50
		0.50		0.50
Current Investments				
Book value of Unquoted Investments		0.50		0.50
Market value of short term Investments		-		-
d LONG TERM LOANS AND ADVANCES				
Unsecured, considered good				
Loans and advances		0.07		0.07
Deposits		9.26		10.08
Prepaid expenses		0.41		0.61
		9.74		10.77
e OTHER NON-CURRENT ASSETS				
Unsecured, considered good				
Deferred Revenue Expenditure (to the extent not written off)		13.03		16.61
		13.03		16.61



ANNEXURE TO NOTE 10

FIXED ASSETS

TANGIBLE ASSETS

₹ in Million

Sl. No.	Description	Gross Block at Cost				Depreciation	Net Block	
		As at 01.10.2014	Additions/ Transfers	Sold/ Discarded/ Transfers	As at 31.03.2015	Upto 31.03.2015	As at 31.03.2015	As at 30.09.2014
1	Land and Betterment							
	a) Freehold Land	664.62	-	-	664.62	-	664.62	664.62
	b) Leasehold Rights in land	48.01	-	-	48.01	8.73	39.28	40.01
2	Buildings	502.78	-	5.77	497.02	148.80	348.22	384.13
3	Plant & Machinery	1390.92	-	41.39	1349.52	630.47	719.04	823.34
4	Electrical Installation	132.98	-	1.46	131.52	56.15	75.37	84.50
5	Vehicles	13.09	-	-	13.09	10.87	2.22	1.93
6	Furniture & Fixtures and other Equipment	49.39	0.04	0.14	49.29	38.87	10.42	13.28
7	Office equipment	7.63	0.03	0.02	7.64	7.44	0.20	1.94
	TOTAL	2809.42	0.07	48.78	2760.70	901.33	1859.36	2013.75
	Capital Work in progress	6.82	0.01	-	6.84	-	6.84	6.82
	GRAND TOTAL	2816.24	0.09	48.78	2767.53	901.33	1866.20	2020.57

Note: As per Schedule II of the Companies Act 2013, in respect of assets whose useful life had expired as on 30th Sept. 2014, the entire WDV of those assets amounting to ₹ 77.54 million written off fully by adjusting Surplus in Statement of Profit and loss.

	THIS YEAR		PREVIOUS YEAR	
Note 11				
CURRENT ASSETS				
a) INVENTORIES				
(i) Stores and Spare Parts	14.11		15.16	
(ii) Raw Materials	53.59		70.77	
(iii) Packing Materials	0.36		0.45	
(iv) Materials in Transit	0.89		0.89	
(v) Work in progress	174.19		188.43	
(vi) Finished Goods	16.66	259.79	28.31	304.02
(For method of valuation, please refer to Note No. 1(d))				
b) TRADE RECEIVABLES				
Unsecured - considered good :				
Exceeding six months	311.02		218.71	
Other Debts	133.27	444.29	256.29	475.00
c) Cash and Bank Balances				
Cash and cash equivalents				
(i) Cash on hand	0.27		0.30	
(ii) Bank Balances				
- in Current Accounts*	11.66		18.76	
- Margin Money	-	11.93	0.14	19.21
* includes Unclaimed Dividend	0.91		0.91	
d) Short Term Loans and Advances				
Loans and advances - Unsecured - Considered good				
Related parties	119.15		163.56	
Others	984.37		979.60	
Tax deducted at source	31.06		30.51	
Deposits	6.90		6.76	
Prepaid Expenses	2.29	1143.76	4.78	1185.20
e) Other Current Assets				
i) Interest accrued on investments				
ii) Deferred Revenue Expenditure (to be written off in one year)	8.85	8.85	7.30	7.30

	THIS YEAR	PREVIOUS YEAR
Note 12		
CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR		
I Contingent Liabilities		
(a) Guarantees	442.27	650.14
(c) Corporate Guarantees issued	35.08	35.02
(d) Customs Duty on Bonded Materials	1.34	0.78
(e) Tax disputes Income Tax	7.45	12.77
(f) Arrears of dividend on Cumulative redeemable Preference Shares	46.83	34.70
(g) Labour Disputes	15.00	15.00
(h) Additional Demand on account of reassessment of Property Tax	28.52	-
(i) Additional Demand for Panchayat Licence Fees	0.15	-
(j) Overdue Interest on instalment and interest on unpaid interest	119.72	-
II Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for -	6.82	0.02
(b) In respect of Voluntary Retirement Scheme offered by the company, the amount payable to eligible employees who have opted for the deferred payment as set out in the scheme for the coming years	318.89	318.89
Note 13		
Revenue from operations		
a. Sale of Products		
- Insulator Products	73.34	1069.17
- Turnkey Products	26.24	70.57
	99.58	1139.74
Note 14		
Other Income		
Other Receipts	20.78	2.61
Profit on Investments	-	136.50
Profit on Sale of Fixed Assets	-	21.61
TOTAL	20.78	160.72
Note 15		
Cost of Materials Consumed		
(a) Raw Materials		
(i) Clays and Minerals	5.23	13.44
(ii) Metal Parts	0.86	43.40
(iii) Others	70.81	840.97
TOTAL	76.89	897.81



	THIS YEAR	PREVIOUS YEAR
Note 16		
Changes in Inventories of Finished Goods & Work-in-progress		
Closing Stock :		
Work in progress	174.19	188.43
Finished Goods	16.66	28.31
	190.85	216.74
LESS: Opening Stock :		
Work in progress	188.43	283.29
Finished Goods	28.31	120.87
	216.74	404.16
TOTAL	25.90	187.42
Note 17		
Employee Benefits Expenses		
a Salaries, Wages and Bonus & Wages	113.19	215.05
b Contribution to PF, ESI, Gratuity, etc.	14.06	40.85
c Welfare Expenses	8.36	27.27
TOTAL	135.61	283.17
Note 18		
Finance Costs		
a Interest Expense	231.18	447.04
b Bank Charges	4.22	29.27
c Net (gain) / loss on foreign currency transactions	0.66	(5.97)
	236.06	470.34
Note 19		
Other Expenses		
Consumption of Stores and Spares	1.16	8.24
Power and Fuel	7.41	56.89
Rent	1.27	3.35
Rates and Taxes	6.18	(2.97)
Insurance	1.47	6.45
Repairs and Maintenance:		
Building	-	0.06
Plant & Machinery	0.81	4.07
Other Assets	1.11	2.52
Research and Development	-	0.06
Directors' Sitting Fees	0.39	0.59
Travelling and Conveyance	3.40	15.41
Auditors' Remuneration	0.33	0.35
Donations	-	0.01
Agency Commission	0.89	1.07
Packing, forwarding and freight	2.12	9.78
Loss on Assets discarded / sold	14.04	41.05
Bad Debts written off	-	11.37
Others	26.94	105.48
TOTAL	67.51	264.42



	THIS YEAR		PREVIOUS YEAR	
Note 20				
Payment to Auditor (included under Note No. 19)				
As auditor:				
Audit Fee		0.30		0.30
Tax Audit Fee		0.02		0.02
Limited Review		0.01		0.02
In other capacity:				
Other services (Certification Fees)		0.01		0.01
		0.33		0.35
Note 21				
(iii) Value of imports on CIF basis (including Materials in transit)				
Raw Materials		-		15.07
Components and Spare Parts		-		0.28
Note 22				
Value of Raw Materials (including Components) and Stores/Spare Parts consumed.				
i) RAW MATERIALS				
Imported	5.45	7%	27.51	3%
Indigenous	71.44	93%	870.30	97%
	76.89	100%	897.81	100%
ii) STORES/SPARE PARTS				
Imported	-	-	0.19	2%
Indigenous	2.69	100%	12.48	98%
	2.69	100%	12.67	100%
Note 23				
Amounts remitted in foreign currencies:				
Others		0.05		0.83



₹ in Million

	THIS YEAR	PREVIOUS YEAR
Note 24		
Earnings in Foreign Exchange		
Physical Exports	15.63	56.52
Others	-	1.18
Note 25		
Bank balance in Current Account includes:		
E E F C Account	-	0.85
	-	(US\$: 6515)
	-	(GBP: 4528)
Note 26		
Employee cost includes:		
(a) Research and Development:		
(i) Salaries and Wages	0.88	8.93
(ii) Contribution to Provident Fund	0.11	0.28
(b) Repairs and Maintenance:		
(i) Salaries and Wages	2.89	7.02
(ii) Contribution to Provident Fund	0.38	0.93

Note 27
In respect of the dispute pertaining to the sale of the additional lands at Porur, Chennai covered under the Framework Agreement, at the instance of M/s. Mantri Premier Homes Private Limited and M/s. Mantri Developers Private Limited, the matter has been referred to the arbitral tribunal in terms of the said agreement.

Note 28
In respect of the appeal filed by the Company in DRAT, Chennai against the order of DRT, Bangalore directing the issue of Debt Recovery Order in favour of ING Vysya Bank Ltd which has since assigned its receivables and recoverables to International Asset Reconstruction Company (IARC), the Company has entered in to a settlement agreement with them and on application by the company, the same has been taken on record by DRAT, Chennai. Both IARC and the Company are taking necessary action taking on record the settlement reached between the parties and for return of the original documents filed with them.

Note 29
In respect of the appeal filed by the Company in High Court at Hyderabad against the order of The A.P. State Micro & Small Enterprises Facilitation Council, Hyderabad the matter has been referred back to the tribunal for assessment of the actual interest payable and to the City Civil Court, Hyderabad to re-assess the case after giving reasonable opportunity to both parties.

Note 30
Balaji Electrical Insulators Private Limited, a supplier has filed a summary suit before Court Additional Senior Civil Judge (Rural) Mirsapur, Ahmedabad for the recovery of amounts due to them for the supply of insulators made by them and the matter is pending before the said court.

Note 31
The Company has pledged its shareholding in its wholly owned subsidiary W.S T&D Limited in favour of Tractors & Farm Equipments Limited for the amount due to them by the subsidiary.

Note 32
Mortgage has been created during the year in favour of Edelweiss Asset Reconstruction Company Limited (EARC) in respect of the vacant land of the Company admeasuring 2.214 acres in RS No.38/1 situated at Sedarapet Village adjacent to PPIDC Estate, Pondicherry as additional security for the term loans advanced to the Company by Allium Finance Private Limited and Edelweiss Asset Reconstruction Company Limited and for the Non Convertible Debentures subscribed by the debenture holders through IDBI Trusteeship Services Limited acting as trustee on their behalf.

Note 33
Vacant land of the Company admeasuring 2 acres 12 guntas (2.3 acres) in Survey No.80, Block Nos. 9-20 of Settigere Village, Karnataka has been mortgaged during the year in favour of M/s. Trinity Infraventures Limited towards security for the amount of ₹ 60 million secured from them.

Note 34

SEGMENT DISCLOSURE

Particulars	Electro-porcelain Products	Turnkey Projects	Total	Electro-porcelain Products	Turnkey Projects	Total
	2014-15			2013-14		
A. PRIMARY SEGMENT INFORMATION						
1 REVENUE						
Gross Sales	76.49	26.24	102.73	679.54	507.52	1187.06
Less: Excise Duty	3.15	-	3.15	47.32	-	47.32
Net Sales	73.34	26.24	99.58	632.22	507.52	1139.74
2 RESULT						
Segment result - EBIT	(248.69)	(20.50)	(269.19)	(522.78)	(69.80)	(592.58)
Finance Charges (Net)			(236.06)			(470.34)
Other Income			20.78			139.11
Profit on sale of fixed assets (Net)			-			21.61
Income Tax			(15.00)			(17.10)
Net Profit / (Loss)			(499.47)			(919.30)
Other Information						
Segment Assets	2430.15	140.14	2570.29	2351.68	447.91	2799.59
3 Unallocated Corporate Assets			1187.82			1239.59
Total Assets			3758.11			4039.18
Segment Liabilities	557.72	(17.95)	539.77	594.00	296.41	890.41
Unallocated Corporate Liabilities			3695.23			3182.53
Total Liabilities			4235.00			4072.94
Capital expenditure	0.09	-	0.09	664.79	0.05	664.84
Depreciation	62.63	0.22	62.86	98.72	0.78	99.50
Non-cash expenses other than depreciation	-	-	-	-	-	-
B. Secondary Segment Information						
Revenue by Geographical Market						
India	57.71	26.24	83.95	575.51	507.52	1083.03
Rest of the World	15.63	-	15.63	56.52	-	56.52
Total	73.34	26.24	99.58	632.03	507.52	1139.54

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 35

Disclosure as required under Accounting Standards (AS) 15 of the Companies (Accounting Standards) Rules, 2006:

	Group Gratuity Scheme		Leave Encashment Benefits	
	This year	Previous year	This year	Previous year
(a) Change in present value of obligations:				
Present value of obligations at the beginning of the year	68.40	66.12	7.03	8.19
Interest Cost	2.34	4.71	0.26	0.31
Current Service Cost	4.64	30.99	2.77	0.05
Benefits paid	(27.64)	(17.84)	(2.43)	(1.80)
Actuarial (Gain) / Loss on obligations			0.89	2.34
Present value of obligations at the end of the year	63.00	68.96	8.52	6.19
(b) Changes in the fair value of Plan Assets:				
Fair value of Plan Assets at the beginning of the year	32.12	49.96	7.03	6.77
Expected Return on Plan Assets	0.78	3.49	-	-
Contributions				
Benefits paid	(27.64)	(17.84)	(2.43)	1.21
Actuarial (Gain) / Loss on obligations	18.36	3.49	0.89	0.24
Present value Plan Assets at the end of the year	23.61	35.99	8.52	5.76
(c) Fair Value of Plan Assets				
Fair value of Plan Assets at the beginning of the year	32.12	49.96	-	-
Actual Return on Plan Assets	0.78	3.49	-	-
Contributions				
Benefits paid	(27.64)	(17.84)	(2.43)	1.21
Actuarial (Gain) / Loss on obligations	18.36	1.49	-	-
Fair Value of Plan Assets at the end of the year	23.61	32.12	-	-
Funded status	-	-	-	-
Excess of Actual over estimated return on Plan Assets	-	-	-	-
(d) Actuarial Gain / Loss recognized				
Actuarial Gain / (Loss) for the Year - obligations	(15.27)	1.49	-	-
Actuarial Gain / (Loss) for the year – Plan Assets	18.36	(3.49)	-	-
Total (Gain) / Loss for the year	-	-	0.89	0.30
Actuarial (Gain) / Loss recognized in the year	-	-	0.89	0.30

	Group Gratuity Scheme		Leave Encashment Benefits	
	This year	Previous year	This year	Previous year
(e) Amounts to be recognized in the Balance Sheet and Statement of Profit and Loss				
Present value of obligations at the end of the year	39.38	36.85	8.52	6.19
Fair Value of Plan Assets at the end of the year	19.14	36.85	-	-
Funded Status	-	-	-	-
Net Asset/(Liability) recognized in Balance Sheet	34.59	(36.85)	-	6.19
(f) Expenses recognized in the statement of Profit and Loss				
Current Service Cost	4.64	30.99	2.77	0.06
Interest Cost	2.34	4.71	0.26	0.31
Expected Return on Plan Assets	(0.78)	(3.49)	-	-
Net Actuarial (Gain) / Loss recognized in the year	(3.10)	(11.53)	0.89	0.18
Expenses recognized in the statement of Profit and Loss	3.10	20.69	3.92	3.92
(g) Actuarial Assumptions				
Discount Rate	8.50%	8.50%	7.80%	8.50%
Expected return on Plan Assets	8.50%	8.50%	-	-
Salary increase	5.00%	5.00%	5.00%	5.00%

Note No 36

Disclosure of Related Party transactions, as required under Accounting Standard (AS) 18 of The Companies (Accounting Standards) Rules, 2006:

(a) List of Related Parties :

Subsidiary Companies	Director	Key Management Personnel	Relative of Director	Other related Parties
W.S.T & D Limited W.S. Electric Limited	Sri. V. Srinivasan	S Suresh	Sri. Narayan Sethuramon	W.S. International (P) Ltd. Ashwini Services and Consultancy Ltd.



(b) Transactions with Related parties :

	Director	Subsidiary Companies	Key Management Personnel	Relative of Director	Other related Parties
Sale of Goods	-	-	-	-	-
Interest Payments	-	-	-	-	-
Payments for services received	-	-	-	-	-
Receipts for services rendered	-	-	-	-	-
Remuneration	-	-	-	-	-
Sitting Fees	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Sale of Investments	-	-	-	-	-
Receipts for Sale of Investments	-	-	-	-	-
Advance received	-	7.21	-	3.30	2.70
Trade Advance received	-	-	-	-	-
Balance as on 31 03 2015:					
Payable	-	7.21	-	8.30	12.70
Receivable	-	119.15	-	-	1.09

(c) Remuneration to Managing Directors / Wholetime Director

	This year	Previous year
Salary	1.29	4.12
Contribution to Provident & Other Funds	0.24	0.88
Perquisites	1.01	2.21
	2.54	7.21

The Company's shares are listed in Mumbai and National Stock Exchanges. The listing fees there against have been paid up to date. The figures for the current period are for a period of 6 months and hence are not directly comparable with those of the previous year.

As per our Report of even date for **M/s. S. VISWANATHAN**
Chartered Accountants
Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

For and on behalf of the Board

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015



Consolidated Financial Statements with Auditors' Report

INDEPENDENT AUDITORS' REPORT

To

The Board of Directors of W.S. Industries (India) Ltd.

We have audited the accompanying consolidated financial statements of W.S. Industries (India) Ltd ("the Company") and its subsidiary, collectively the ("Group"), which comprise the consolidated Balance Sheet as at March 31, 2015, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2015; and
- (b) in the case of the consolidated Statement of Profit and Loss, of the loss for the period ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the period ended on that date.

17, Bishop Wallers Avenue (West)
CIT Colony, Mylapore,
Chennai – 600 004

For M/S. S.VISWANATHAN
Chartered Accountants
Firm Regn. No.004770S

Chella K. Srinivasan
Partner
Membership Number: 023305

Place: Chennai
30th May 2015



Consolidated Balance Sheet as at 31 03 2015

in ₹ Million

	Notes	THIS YEAR		PREVIOUS YEAR	
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
Share Capital	4	338.90		338.90	
Reserves and Surplus	5	(1395.86)	(1056.96)	(851.03)	(512.13)
Minority Interest			216.88		213.58
2. Non-current liabilities					
Long Term Borrowings	6	1146.11		953.40	
Deferred Tax Liability	7	-		15.00	
Other Long Term Liabilities	8	41.18	1187.29	54.16	1022.56
3 Current Liabilities					
Short Term borrowings	9 (a)	419.71		752.52	
Trade payables	9 (b)	533.57		621.08	
Other Current Liabilities	9 (c)	2563.32		2008.51	
Short Term provisions	9 (d)	66.54	3583.14	58.37	3440.48
TOTAL			3930.35		4164.49
II ASSETS					
1 Non-current assets					
Fixed Assets					
i) Tangible assets	10 (a)	1862.22		2013.80	
ii) Capital Work in Progress	10 (b)	6.84	1869.06	6.82	2020.62
Long Term Loans and advances	10 (c)		9.74		10.77
Other non-current assets	10 (d)		13.03		16.61
2 Current Assets					
i) Inventories	11 (a)	441.40		485.62	
ii) Trade receivables	11 (b)	444.29		475.00	
iii) Cash and cash equivalents	11 (c)	112.76		113.41	
iv) Short term loans and advances	11 (d)	1031.22		1032.35	
v) Other Current Assets	11 (e)	8.85	2038.52	10.11	2116.49
TOTAL			3930.35		4164.49
Significant Accounting Policies & Notes on Financial Statements	1 to 21				

As per our Report of even date for **M/s. S. VISWANATHAN**
Chartered Accountants
Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015

For and on behalf of the Board



Consolidated Statement of Profit and Loss for the year ended 31st March 2015

₹ in Million

	Notes	6 Months ended 31st March 2015		12 Months ended 30th Sept. 2014	
1 Revenue from Operations (Gross)					
Sales and Other Operating income	12	137.80		1229.64	
Less: Excise Duty		<u>3.15</u>	134.65	<u>47.32</u>	1182.32
2 Other Income	13		20.80		26.15
3 Total Revenue (1+2)			<u>155.45</u>		<u>1208.47</u>
4 EXPENSES					
Cost of Materials consumed	14	76.89		897.81	
Changes in Inventories of Finished Goods and Work-in-Progress	15	25.90		187.42	
Employee Benefit expense	16	136.93		285.57	
Finance Costs	17	253.04		482.87	
Depreciation and Amortization expenses		63.49		99.52	
Other expenses	18	<u>70.33</u>	626.57	<u>268.24</u>	2221.43
5 PROFIT / (LOSS) BEFORE TAX (3 - 4)			(471.12)		(1012.96)
6 Tax expense					
i) Current tax.		7.80		9.52	
ii) Deferred Tax		<u>(15.00)</u>	(7.20)	<u>(17.10)</u>	(7.58)
7 PROFIT / (LOSS) AFTER TAX					
Before Adjustment of Minority Interest (5 - 6)			(463.92)		(1005.38)
8 Minority Interest in Income			(3.31)		(7.23)
9 PROFIT / (LOSS) AFTER TAX					
After Adjustment of Minority Interest (7 - 8)			(467.23)		(1012.61)
10 Earnings per equity share (in ₹):					
i) Basic			(22.52)		(48.13)
ii) Diluted			(22.52)		(48.13)
Significant Accounting Policies & Notes on Financial Statements	1 to 21				

As per our Report of even date for **M/s. S. VISWANATHAN**
Chartered Accountants
Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

For and on behalf of the Board

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015



Consolidated Cash Flow Statement for the period ended 31st March 2015

₹ in Million

	THIS YEAR	PREVIOUS YEAR
A CASH FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before Taxes	(471.12)	(1012.96)
Adjustments for:		
Add:		
Assets discarded	14.04	41.05
Depreciation	63.49	99.52
Interest and Financial Charges (Net)	253.04	482.87
	<u>(140.56)</u>	<u>(389.52)</u>
Less:		
Income from Investments	-	0.16
Profit / (Loss) on sale of Investments	-	1.77
Profit on sale of Assets	-	21.61
Operating Profit before Working Capital changes	<u>(140.56)</u>	<u>(413.06)</u>
Increase/(Decrease) in Working Capital		
(Increase)/Decrease in inventories	44.22	213.61
(Increase)/Decrease in Sundry Debtors	30.70	18.83
(Increase)/Decrease in other Current Assets	7.00	(4.03)
Increase/(Decrease) in Liabilities and Provisions	(167.69)	496.44
Income Taxes paid	(10.46)	(6.41)
Minority Interest in income	(3.31)	(7.23)
Net cash from operating activities	(240.09)	298.15
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (including interest capitalised)	(3.57)	(0.72)
Sale/ reduction in value of Fixed Assets	0.01	34.12
Income from Investments	-	0.16
Sale of Investments	-	2.45
Purchase /Redemption of share from minority shareholders	-	(0.73)
Change in minority interest	3.31	4.72
Net Cash (used in) / from Investing activities	(0.25)	39.99



Consolidated Cash Flow Statement for the period ended 31st March 2015

₹ in Million

	THIS YEAR	PREVIOUS YEAR
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase/decrease in secured Loans	885.55	353.79
Increase/decrease in Unsecured Loans	-	(0.31)
Increase/(Decrease) in working Capital from Banks	(392.81)	(119.74)
Interest and financing charges paid	(253.04)	(482.87)
Net Cash from Financing Activities	239.70	(249.13)
NET INCREASE IN CASH AND CASH EQUIVALENTS (i)	(0.64)	89.01
Cash and Cash Equivalents as at the beginning of the year	113.41	24.40
Cash and Cash Equivalents as at the close of the year	112.76	113.41

Notes on Cash Flow Statement:

- 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	112.76	113.41
UNREALISED (GAIN)/LOSS	-	-
CASH AND BANK BALANCES RESTATED AS ABOVE	112.76	113.41

As per our Report of even date
for **M/s. S. VISWANATHAN**
Chartered Accountants
Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

For and on behalf of the Board

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015

CONSOLIDATED FINANCIAL STATEMENTS

₹ in Million

Note**1 SIGNIFICANT ACCOUNTING POLICIES****a 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 are for a period of six months , whereas the Subsidiary Companies' statements used are drawn for the Period April 2014 - March 2015

The Group maintains its accounts on accrual basis following the historical cost convention, in accordance with the Generally accepted Accounting Principles (GAAP) and in compliance with the Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and other provisions of the Companies Act 1956.

The preparation of financial statements in conformity with GAAP requires that the respective managements of the companies makes 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.

b 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. Electric Limited and W.S. T & D Limited. whose country of incorporation is India and the percentage of voting power by W.S. T & D Limited in W.S. Electric is 50.10% and by W.S. Industries (India) limited in W.S. T & D is 100% held on 31st March 2015.

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.

		THIS YEAR	PREVIOUS YEAR
Note 4			
SHARE CAPITAL			
Authorised			
35,000,000	Equity Shares of ₹10/- each	350.00	350.00
1,500,000	Cumulative Redeemable Preference Shares of ₹ 100/- each	150.00	150.00
		500.00	500.00
Issued, Subscribed and Paid - up:			
21,139,789	Equity Shares of ₹ 10/- each fully paid-up	211.40	211.40
1275000	Cumulative Redeemable Preference Shares of ₹ 100/- each fully paid-up	127.50	127.50
TOTAL		338.90	338.90

Reconciliation of Shares outstanding at the beginning and at the end of the year:				
	No. of shares	Value (₹ in million)	No. of shares	Value (₹ in million)
Equity Shares:				
At the beginning and end of the year	21,139,789	211.40	21,139,789	211.40
Preference Shares:				
At the beginning and end of the year	1,275,000	127.50	1,275,000	127.50

Shareholders holding more than 5% shares in the company:				
Name of Shareholder	Equity Shares			
	As at 31st March 2015		As at 30th Sept. 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
W.S. International (P) Ltd.	1,119,798	5%	1,119,798	5%
Blue Chip Investments (P) Ltd.	4,096,138	19%	4,096,138	19%
Credit Renaissance Fund Ltd.	2,520,000	12%	2,520,000	12%
East Sail	1,985,557	9%	1,985,557	9%

Name of Shareholder	Preference Shares			
	As at 31st March 2015		As at 30th Sept. 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Credit Renaissance Fund Ltd.	760,000	60%	760,000	60%
Credit Renaissance Development Fund L.P.	165,000	13%	165,000	13%
Vensunar (P) Ltd.	350,000	27%	350,000	27%

The 925,000 Non-convertible, Redeemable and cumulative Preference Shares of Rs.100/- each fully paid up with coupon rate of 5% / 7.5% subscribed by the Overseas Investors, viz., Credit Renaissance Fund Ltd. and Credit Renaissance Development Fund L.P. and due for redemption on 3rd October 2014 has been extended by the above shareholders for a further period of one year, i.e., upto 2nd October 2015.

350,000 Non-convertible, Redeemable and cumulative Preference Shares Rs. 100/- each fully paid up with a coupon rate of 10% subscribed by Vensunar (P) Ltd. is due for redemption on 28th February 2018.

	As at 31st March 2015	As at 30th Sept. 2014
Note 5		
Reserves & Surplus		
a. Capital Reserves		
As per Last Balance Sheet	9.95	9.95
b. Share Premium Account		
As per Last Balance Sheet	255.45	256.18
Less: Utilisation on account of Buy back	-	0.73
	255.45	255.45
c. Revaluation Reserve		
As per Last Balance Sheet	664.11	-
Additions during the year	-	664.11
Less: Withdrawn during the year	-	-
Closing Balance	664.11	664.11
d. Capital Redemption Reserve		
As per Last Balance Sheet	176.16	176.16
e. Special General Reserve		
As per Last Balance Sheet	25.81	25.81
f. General Reserve		
As per Last Balance Sheet	(73.63)	(78.64)
Additions during the year	-	5.01
Closing Balance	(73.63)	(73.63)
f. Surplus in Statement of Profit and Loss		
Balance as per last Profit and Loss Account of the previous year	(1908.89)	(891.27)
Profit / (Loss) for the year	(467.23)	(1012.61)
Less: Additional Depreciation on Opening Block of Assets as on 01/10/2014 as per the new Companies Act,2013	(77.60)	-
	(2453.71)	(1903.88)
Appropriations:		
Transfer to General Reserve	-	5.01
Net Surplus / (Deficit) in Statement of Profit and Loss	(2453.71)	(1908.89)
Total Reserves and Surplus	(1395.86)	(851.03)

	THIS YEAR	PREVIOUS YEAR
Note 6		
NON CURRENT LIABILITIES		
LONG TERM BORROWINGS		
Secured		
i Non Convertible Debentures	114.60	114.55
ii Term Loans from Banks	477.31	268.38
iii Term Loans from other than Banks	305.40	305.45
iv Lease Rental Bills Discounting	223.81	240.02
TOTAL	1121.11	928.40

The above Term Loans and the current maturities of these loans are secured by the :

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

- Term Loans availed and outstanding to banks, aggregating to ₹ 472.37 million are secured by the first charge on the block assets of the company situated at the Chennai plant except to the extent of 15.08 acres of land on pari passu basis.
- “Working Capital Term Loans and Funded Interest Term Loans restructured during the year by banks and outstanding to banks, aggregating to ₹ 738.29 million 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 on pari passu basis.”
- Security has been created on NCD of ₹ 240 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 ₹ 797.50 million on the block assets of the company situated at the Vizag Plant and on 5 acres of land situated at Porur, Chennai on pari passu basis among these lenders and pledge of 29,70,000 equity shares of the Promoters.
- Security Receipts of ₹ 249.62 million classified as Term Loan from other than Banks are secured by Block Assets of the company situated at Chennai except for 15.08 acres of land and also secured by block assets of the company situated at Vizag.

Terms of Repayment

Outstanding Bank Term Loans are payable in terms of the restructuring schedules agreed to with the banks. For NCD, and loan to the tune of ₹ 797.50 million availed from NBFC & ARC Trust specific repayment terms are in place per the agreements executed with them.

For the Security Receipt of ₹ 249.62 million, term of the SR is linked to the proceeds of sale of land.

The lease rental bills discounting together with current maturities is secured by the exclusive charge on the rentals received by the company from its lessees which has been assigned in favour of the lender and further secured by creation of equitable mortgage by deposit of title of the land owned by the company, however covering 35,213 sq.ft. of undivided interest in land out of 1,22,054 sq.ft. relating to Phase 1 of the development and 87,279 sq.ft. of Rentable Area out of the constructed building in Phase I of the development together with the Subsidiary's entitlements thereon. The above outstanding shall carry interest at lender's base rate plus 3% . The above balance loan and current maturities thereof shall be repaid in 100 monthly instalments as agreed.

	THIS YEAR	PREVIOUS YEAR
b Unsecured		
Inter Corporate Deposit	25.00	25.00
	25.00	25.00

	THIS YEAR	PREVIOUS YEAR
Note 7		
Deferred Tax Liabilities (Net)		
Transfer to / (from) Deferred Tax is mainly on account of allowances for tax purposes in:		
- Depreciation	-	15.00
- Total	-	15.00
Note 8		
OTHER LONG TERM LIABILITIES		
Advance from Subsidiary - Security Deposits	41.18	54.16
	41.18	54.16
Note 9		
CURRENT LIABILITIES		
a Short Term Borrowings		
Secured		
Working Capital Borrowings from Banks	359.71	752.52
Others	60.00	-
TOTAL	419.71	752.52
Working Capital facilities from Consortium of Banks, for Chennai and Vizag Units and for Turnkey Projects Division availed on including Cash Credit, Packing Credit, WCDL and FCNRB are secured by the Hypothecation of Stocks of Raw Materials, Stores, Spares (not relating to Plant and Machinery), Work-in-Progress, Finished Goods, Book Debts and Documentary Bills. They are further secured by a Second Charge on the block assets of the company situated at Chennai unit except to the extent of 15.08 acres of land on which charge has been ceded ranking pari-passu among themselves.		
b Trade payables		
Trade payables	553.57	621.08
	553.57	621.08
c Other Current Liabilities		
a Current maturities of Long Term Loans *	1615.05	1130.88
b Interest accrued but not due on loans	93.71	126.98
c Interest accrued and due on loans @	260.99	112.33
d Unclaimed Dividend	0.91	0.91
e Creditors for Capital Expenditure	4.77	10.73
f Advance from customer	103.12	256.40
g Interest accrued and due on NCDs #	83.31	45.38
h Other payables	289.46	242.91
i Advance received towards sale of land	2.00	2.00
j Advance towards Sale of Investments	110.00	80.00
TOTAL	2563.32	2008.51
* Period and amount of dues: ₹ 867.12 Million has fallen due on 31st March 2015 (including ₹ 407.12 Million fallen due on 31st March 2014)		
@ Period and amount of dues: ₹ 260.99 Million has fallen due on 31st March 2015 (including ₹ 118.03 Million fallen due on 31st March 2014)		
# Period and amount of dues: ₹ 83.31 Million has fallen due on 31st March 2015 (including ₹ 30.67 Million fallen due on 31st March 2014)		
d SHORT TERM PROVISIONS		
i Provision for Employee benefits	56.30	45.47
ii Income Tax (Net of payments)	10.24	12.90
TOTAL	66.54	58.37



₹ in Million

Note 10

NON-CURRENT ASSETS

FIXED ASSETS

	THIS YEAR		PREVIOUS YEAR	
a Tangible Assets	1862.22		2013.80	
b Capital work in Progress	6.84	1869.06	6.82	2020.62

Note: Please see Annexure enclosed for details

c LONG TERM LOANS AND ADVANCES

Unsecured, considered good

Loans and advances 0.07 0.07

Deposits 9.26 10.08

Prepaid expenses 0.41 0.61

9.74 10.77

d OTHER NON-CURRENT ASSETS

Unsecured, considered good

Deferred Revenue Expenditure 13.03 16.61

13.03 16.61

ANNEXURE TO NOTE 10

FIXED ASSETS

TANGIBLE ASSETS

₹ in Million

Sl. No.	Description	Gross Block at Cost				Depreciation	Net Block	
		As at 01.10.2014	Additions/ Transfers	Sold/ Discarded/ Transfers	As at 31.03.2015	Upto 31.03.2015	As at 31.03.2015	As at 30.09.2014
1	Land and Betterment							
	a) Freehold Land	664.62	-	-	664.62	8.73	655.89	664.62
	b) Leasehold Rights in land	48.01	-	-	48.01	-	48.01	40.01
2	Buildings	502.78	-	5.77	497.01	148.80	348.21	384.13
3	Plant & Machinery	1391.03	-	41.39	1349.64	630.59	719.05	823.45
4	Electrical Installation	132.98	-	1.46	131.52	56.15	75.37	84.50
5	Vehicles	13.09	-	-	13.09	10.87	2.22	1.93
6	Furniture & Fixtures and other Equipment	49.51	3.53	0.14	52.90	39.62	13.28	13.23
7	Office equipment	7.63	0.03	0.02	7.64	7.44	0.20	1.94
	TOTAL	2809.65	3.57	48.79	2764.43	902.20	1862.23	2013.80
	Capital Work in progress	6.82	0.01	-	6.83	-	6.83	6.82
	GRAND TOTAL	2816.47	3.58	48.79	2771.26	902.20	1869.06	2020.62

Note : As per Schedule II of the Companies Act 2013, in respect of assets whose useful life had expired as on 30th Sept. 2014, the entire WDV of those assets amounting to ₹ 77.60 Million written off fully by adjusting Surplus in Statement of Profit and loss.



	THIS YEAR		PREVIOUS YEAR	
Note 11				
CURRENT ASSETS				
a) INVENTORIES				
(i) Stores and Spare Parts	14.11		15.16	
(ii) Raw Materials	53.59		70.77	
(iii) Packing Materials	0.36		0.45	
(iv) Materials in Transit	0.89		0.89	
(v) Stock in Trade - Realty	181.60		181.60	
(vi) Work in progress	174.19		188.43	
(vii) Finished Goods	16.66	441.40	28.31	485.62
b) TRADE RECEIVABLES				
Unsecured - considered good :				
Exceeding six months	311.02		218.71	
Other Debts	133.27	444.29	256.29	475.00
c) Cash and Bank Balances				
Cash and cash equivalents				
(i) Cash on hand	0.29		0.30	
(ii) Bank Balances				
- in Current Accounts*	112.47		112.97	
- Margin Money	-		0.14	
		112.76		113.41
* includes Unclaimed Dividend	0.91		0.91	
d) Short Term Loans and Advances				
Loans and advances		984.41		979.62
Tax deducted at source		37.60		41.16
Deposits		6.90		6.76
Prepaid Expenses		2.30		4.80
		1031.22		1032.35
e) Other Current Assets				
i) Interest accrued on investments		-		2.81
ii) Deferred Revenue Expenditure (to be written off in one year)		8.85		7.30
		8.85		10.11



	THIS YEAR	PREVIOUS YEAR
Note 12		
Revenue from operations		
a. Sale of Products		
- Insulator Products	73.34	1069.17
- Turnkey Products	26.24	70.57
b Lease Rental Income	35.07	42.58
	<u>134.65</u>	<u>1182.32</u>
Note 13		
Other Income		
Dividend Income from Mutual Funds (Short term investments)	-	0.16
Other Receipts	20.80	2.61
Profit on Investments	-	1.77
Profit on Sale of Fixed Assets	-	21.61
TOTAL	<u>20.80</u>	<u>26.15</u>
Note 14		
Cost of Materials Consumed		
(a) Raw Materials		
(i) Clays and Minerals	5.23	13.44
(ii) Metal Parts	0.86	43.40
(iii) Others	70.81	840.97
TOTAL	<u>76.89</u>	<u>897.81</u>
Note 15		
Changes in Inventories of Finished Goods & Work-in-progress		
Closing Stock :		
Work in progress	174.19	188.43
Finished Goods	16.66	28.31
	<u>190.85</u>	<u>216.74</u>
Opening Stock :		
Work in progress	188.43	283.29
Finished Goods	28.31	120.87
	<u>216.74</u>	<u>404.16</u>
TOTAL	<u>25.90</u>	<u>187.42</u>
Note 16		
Employee Benefits Expenses		
a Salaries, Wages and Bonus & Wages	114.51	217.45
b Contribution to PF, ESI, Gratuity, etc.	14.06	40.85
c Welfare Expenses	8.36	27.27
TOTAL	<u>136.93</u>	<u>285.57</u>



	THIS YEAR	PREVIOUS YEAR
Note 17		
Finance Costs		
a Interest Expense	248.16	459.57
b Bank Charges	4.22	29.27
c Net (gain) / loss on foreign currency transactions	0.66	(5.97)
	<u>253.04</u>	<u>482.87</u>
Note 18		
Other Expenses		
Consumption of Stores and Spares	1.16	8.24
Power and Fuel	7.96	56.89
Rent	1.27	3.35
Rates and Taxes	6.97	(2.11)
Insurance	1.60	6.65
Repairs and Maintenance:		
Building	0.21	0.06
Plant & Machinery	0.81	4.70
Other Assets	1.11	2.52
Research and Development	-	0.06
Directors' Sitting Fees	0.41	0.62
Brokerage Commission	0.76	-
Printing & Stationery	3.51	16.04
Auditors' Remuneration	0.42	0.43
Donations	-	0.11
Agency Commission	0.89	1.07
Packing, forwarding and freight	2.12	9.78
Loss on Assets discarded / sold	14.04	41.05
Bad Debts written off	-	11.37
Others	27.09	107.39
TOTAL	<u>70.33</u>	<u>268.24</u>
Note 19		
Payment to Auditor (included under Note No. 18)		
As auditor:		
Audit Fee	0.36	0.36
Tax Audit Fee	0.03	0.03
Limited Review	0.02	0.02
In other capacity:		
Other services (Certification Fees)	0.01	0.02
	<u>0.42</u>	<u>0.43</u>



₹ in Million

	Year ended 31.03.2015	Year ended 30 09 2014
Note 20		
Calculation of Earnings per share (Face value of ₹10/- per share)		
Net Profit / (Loss)	(463.92)	(1005.38)
Preference Dividend	12.13	12.13
Net Earnings before and after extraordinary items	(476.05)	(1017.51)
No. of Equity Shares	21139789	21139789
Earnings per share before and after extraordinary items (basic / diluted) (in ₹)	(22.52)	(48.13)

As per our Report of even date
for **M/s. S. VISWANATHAN**
Chartered Accountants
Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

For and on behalf of the Board

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015



Note 21

Form AOC-I

(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 ₹ in Million)

Reporting period for the subsidiary 01.04.2014 - 31.03.2015

	W.S. ELECTRIC LTD.	W.S.T&D LTD.
a. Share Capital	38.41	0.50
b. Reserves	390.81	(17.54)
c. Total Assets (including Preliminary and Pre-operative expenses)	720.89	24.02
d. Total Liabilities	291.66	579.76
e. Investments	-	538.70
f. Turnover	35.07	-
g. Profit before Taxation	14.43	(1.07)
h. Provision for Taxation	7.80	-
i. Profit after Tax	6.63	(1.07)
j. Proposed Dividend	-	-
k. % of shareholding :	-	100%

- Notes: 1. Names of subsidiaries which are yet to commence operations : N.A.
2. Names of subsidiaries which have been liquidated or sold during the year : N.A.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures : **Not Applicable**

As per our Report of even date for **M/s. S. VISWANATHAN** Chartered Accountants Firm Regn. No. 004770S

V.SRINIVASAN
Chairman

K. RAMAN
Director

S.SURESH
Director

CHELLA K. SRINIVASAN
PARTNER
(Membership No.023305)

B.SWAMINATHAN
Chief Financial Officer

HEMA PASUPATHEESWARAN
Vice President (Legal) &
Company Secretary

Place: Chennai
30th May, 2015

For and on behalf of the Board