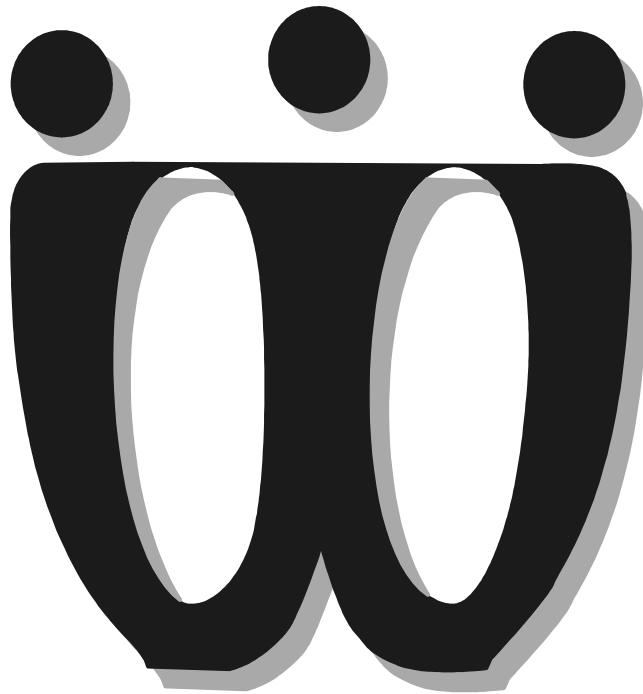


**96<sup>th</sup> ANNUAL REPORT**  
**2015 - 2016**



**WALCHAND**  
**PEOPLEFIRST**

**WALCHAND PEOPLEFIRST LIMITED**



**DALE CARNEGIE®**  
**TRAINING**



**PerformanSe**  
Man as direct participant in his own development



**WALCHAND**  
**DALE CARNEGIE**  
FINISHING SCHOOL

**BLANK**

## **BOARD OF DIRECTORS**

Ms. PALLAVI JHA - CHAIRPERSON & MANAGING DIRECTOR

Mr. SANJAY JHA

Mr. M.N. BHAGWAT

Mr. V.K.VERMA

Mr. RAJEEV DUBEY

Dr. VIJAY GUPCHUP

## **COMPLIANCE OFFICER**

Mr. VIVEK WADHAVKAR

## **AUDITORS**

M/s. K. S. AIYAR & CO.,

CHARTERED ACCOUNTANTS

## **BANKERS**

STANDARD CHARTERED BANK

HDFC BANK LTD.

## **REGISTERED OFFICE**

1, CONSTRUCTION HOUSE,

5, WALCHAND HIRACHAND MARG,

BALLARD ESTATE, MUMBAI- 400 001

TEL NO: 67818181

FAX: 22610574

Email: vivek@walchandgroup.com

Website : www.walchandpeoplefirst.com

## **REGISTRAR & TRANSFER AGENT**

M/s. COMPUTECH SHARECAP LIMITED

“COMPUTECH”, 147, MAHATMA GANDHI ROAD,

FORT, MUMBAI – 400 023

TEL : 22635001 /5002

FAX: 22635005

E-MAIL : helpdesk@compu-techsharecap.com

**INFORMATION FOR SHAREHOLDERS**  
**96<sup>th</sup> ANNUAL GENERAL MEETING**

DATE : THURSDAY, JULY 28, 2016  
TIME : 3:00 P.M.  
VENUE : KILACHAND CONFERENCE ROOM,  
INDIAN MERCHANTS' CHAMBER,  
IMC MARG, CHURCHGATE,  
MUMBAI - 400 020.  
DATE OF BOOK : JULY 21, 2016 To JULY 27, 2016  
CLOSURE (BOTH DAYS INCLUSIVE)

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## NOTICE

### NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE NINETY-SIXTH ANNUAL GENERAL MEETING OF WALCHAND PEOPLEFIRST LIMITED WILL BE HELD ON THURSDAY, 28<sup>TH</sup> JULY, 2016 AT 3:00 P.M. AT THE KILACHAND CONFERENCE ROOM, INDIAN MERCHANTS' CHAMBER, IMC MARG, CHURCHGATE, MUMBAI - 400020 TO TRANSACT THE FOLLOWING BUSINESS:

#### Ordinary Business

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the Reports of the Directors and Auditors thereon.
2. To declare a Final Dividend of Rs. 1.25/- per equity share.
3. To appoint a Director in place of Mr. Sanjay Jha who retires by rotation and being eligible, offers himself for re-appointment;
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Section 139 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), as amended from time to time and pursuant to the resolution passed by the Members at the 95<sup>th</sup> Annual General Meeting (AGM) held on 31<sup>st</sup> July, 2015 in respect of appointment of the auditors, M/s. K. S. Aiyar & Co., Chartered Accounts (ICAI Firm Registration No. 100186W) till the conclusion of the 100<sup>th</sup> AGM, the members of the Company hereby ratifies the appointment of M/s. K. S. Aiyar & Co., Chartered Accounts (ICAI Firm Registration No. 100186W), as the Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the 97<sup>th</sup> AGM of the Company to be held in the Financial Year ended 31<sup>st</sup> March, 2017 to examine and audit the accounts of the Company on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### Special Business:

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to Articles of Association of the Company and as approved by the members of the Nomination and Remuneration Committee and the Board of Directors, the members of the Company hereby approves the re-appointment of Ms. Pallavi Jha (DIN: 00068483), as Managing Director of the Company with effect from May 01, 2016 on terms and conditions including remuneration as set out in Clause A to F below:

**A. Period of Appointment:** 01/05/2016 to 30/04/2019

**B. Salary:** INR 46,10,925/- (Forty Six Lacs Ten Thousand Nine Hundred and Twenty Five only)

Increment per annum as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

- C. Perquisites:** In addition to Salary, a basket of allowances/perquisites upto INR 21,83,786/- (Twenty One Lacs Eighty Three Thousand Seven Hundred Eighty Six only) for the period commencing from 1<sup>st</sup> May, 2016 to 31<sup>st</sup> March, 2017 and increment per annum as may be recommended by the Members of the Nomination and Remuneration Committee and approved by the Board which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for herself and her family, education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

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

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

- (i) Company's contribution to Provident Fund and Superannuation Fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 and pursuant to the provisions of the Companies Act, 2013 read with the relevant rules made thereunder;
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service pursuant to the provisions of the Companies Act, 2013 read with the relevant rules made thereunder;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.

Perquisites shall be evaluated as per the applicable provisions of the Income Tax Act along with its relevant rules.

**D. Commission:** Such amount for each financial year as may be recommended by the Nomination and Remuneration Committee and approved by the Board.

**E. Minimum Remuneration:** Where in any financial year during the currency of her tenure as a Managing Director, the Company is required to obtain the approval of Central Government or any other authorities, under the provisions of the Companies Act, 2013 for the payment of Remuneration, the maximum Remuneration permissible for payment to Ms. Pallavi Jha under the provisions of Section 196, 197 (and other relevant Sections) of the Companies Act, 2013 read with Schedule V to the said Act or the maximum limit as may be notified from time to time be paid till the receipt of such approval.

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

**RESOLVED FURTHER THAT** wherein any financial year during the currency of her tenure as a Managing Director, the Company is required to obtain the Central Government approval under the provisions of the Companies Act, 2013 for the payment of Remuneration, the maximum Remuneration permissible for payment to Ms. Pallavi Jha under the provisions of Section 196, 197 and 203 (and other relevant Sections) of the Companies Act, 2013 read with Schedule V to the said Act or the maximum limit as may be notified from time to time, be paid till the receipt of the approval of the Central Government

**RESOLVED FURTHER THAT** on receipt of the approval of the Central Government the amount of remuneration on the terms as approved by the Central Government as reduced by the Remuneration already paid for the period for which the Central Government's approval is sought, be paid to Ms. Pallavi Jha, Managing Director in lump sum and that after the date of the approval, Ms. Pallavi Jha be paid the remuneration as per the terms and conditions approved by the Central Government

**RESOLVED FURTHER THAT** the terms and conditions of the re-appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Nomination and Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with Section 197 read with Schedule V to the Companies Act, 2013, other relevant provision of the Companies Act, 2013 and in accordance to statutory modification/amendments made under the relevant provisions of the Companies Act, 2013 and Schedule(s) thereof and as agreed between the Board of Directors and Ms. Pallavi Jha

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Members of the Nomination and Remuneration Committee subject to the approval of the Board be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by Central Government from time to time."

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

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to Articles of Association of the Company and as approved by the members of the Nomination and Remuneration Committee and the Board of Directors, the members of the Company hereby approves the re-appointment of Mr. Sanjay Jha (DIN: 00068519), as a Whole-time Director of the Company with effect from May 01, 2016 on terms and conditions including remuneration as set out in Clause A to F below:

**A. Period of Appointment:** 01/05/2016 to 30/04/2019

**B. Salary:** INR 44,18,804 /- (Forty Four Lacs Eighteen Thousand Eight Hundred and Four only)

Increment per annum as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

**C. Perquisites:** In addition to Salary, a basket of allowances/perquisites upto INR 19,21,220/- (Nineteen Lacs Twenty One Thousand Two Hundred and Twenty only) for the period commencing from 1<sup>st</sup> May, 2016 to 31<sup>st</sup> March, 2017 and increment per annum as may be recommended by the Members of the Nomination and Remuneration Committee and approved by the Board which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent parent and dependent children of the Whole-time Director, as mentioned in the applicable Rules or Schemes.

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

- (i) Company's contribution to Provident Fund and Superannuation Fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 and pursuant to the provisions of the Companies Act, 2013 read with relevant rules made thereunder;
- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service pursuant to the provisions of the Companies Act, 2013 read with relevant rules made thereunder;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.

Perquisites shall be evaluated as per the applicable provisions of the Income Tax Act along with its relevant rules.

**D. Commission:** Such amount for each financial year may be recommended by the Nomination and Remuneration Committee and approved by the Board.

**E. Minimum Remuneration:** Where in any financial year during the currency of his tenure as a Whole-time Director, the Company is required to obtain the approval of Central Government or any other authorities, under the provisions of the Companies Act, 2013 for the payment of Remuneration, the maximum Remuneration permissible for payment to Mr. Sanjay Jha under the provisions of Section 196, 197 (and other relevant Sections) of the Companies Act, 2013 read with Schedule V to the said Act or the maximum limit as may be notified from time to time be paid till the receipt of such approval.

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

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure as a Whole-time Director, the Company is required to obtain the Central Government approval under the provisions of the Companies Act, 2013 for the payment of Remuneration, the maximum Remuneration permissible for payment to Mr. Sanjay Jha under the provisions of Section 196, 197 and 203 (and other relevant Sections) of the Companies Act, 2013 read with Schedule V to the said Act or the maximum limit as may be notified from time to time, be paid till the receipt of the approval of the Central Government

**RESOLVED FURTHER THAT** on receipt of the approval of the Central Government the amount of remuneration on the terms as approved by the Central Government as reduced by the Remuneration already paid for the period for which the Central Government's approval is sought, be paid to Mr. Sanjay Jha, Whole-time Director in lump sum and that after the date of the approval, Mr. Sanjay Jha be paid the remuneration as per the terms and conditions approved by the Central Government

**RESOLVED FURTHER THAT** the terms and conditions of the re-appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Nomination and Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Whole-time Director in accordance with Section 197 read with Schedule V to the Companies Act, 2013, other relevant provision of the Companies Act, 2013 and in accordance to statutory modification/amendments made under the relevant provisions of the Companies Act, 2013 and Schedule(s) thereof and as agreed between the Board of Directors and Mr. Sanjay Jha

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Members of the Nomination and Remuneration Committee subject to the approval of the Board be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by Central Government from time to time."

By order of the Board

**Pallavi Jha**  
Chairperson & Managing Director  
DIN:- 00068483  
Address:- 201, Sterling Heritage 39,  
N S Patkar Marg, Gamdevi,  
Mumbai - 400007.

**Place:** Mumbai

**Date:** 27<sup>th</sup> April, 2016

**Registered Office:**

1, Construction House, 5,  
Walchand Hirachand Marg,  
Ballard Estate, Mumbai - 400 001.

**Notes:**

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting;
- 2) A person appointed as proxy shall act on behalf of such member or number of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder;
- 3) The Register of Members and Transfer Books of the Company will be closed from 21<sup>st</sup> July, 2016 to 27<sup>th</sup> July, 2016, inclusive of both the days;
- 4) Subject to the provisions of Section 126 of the Companies Act, 2013 read with its relevant rules dividend as recommended by the Board of Directors declared at their meeting, will be payable after 28<sup>th</sup> July, 2016 (date of AGM) to those Shareholders whose names stand on the Company's Register of Members on 20<sup>th</sup> July, 2016 and to whom dividend warrants will be posted. In respect of Shares held in electronic form, the dividend will be paid on the basis of beneficial ownership position as at the end of the day on 20<sup>th</sup> July, 2016 as per data to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose;
- 5) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to M/s. Computech Sharecap Limited;
- 6) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s. Computech Sharecap Limited for any assistance in this regard;
- 7) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s. Computech Sharecap Limited, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon;
- 8) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote;
- 9) Transfer of Unclaimed/ Unpaid amounts to the Investor Education and Protection Fund (IEPF): Pursuant to

Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956 and Section 123 of Companies Act, 2013 read with their relevant rules, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company have been transferred to the IEPF established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred prior to March 31, 2015, nor shall any payment be made in respect of such claim;

- 10) In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting service provided by CDSL, on all resolutions set forth in this Notice;
- 11) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 read with its rules made thereunder, will be available for inspection by the members at the Annual General Meeting;
- 12) Members/Proxies should fill the attendance slip for attending the meeting and bring their attendance slip along with their copy of Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting;
- 13) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting;
- 14) All documents referred to in the notice are open for inspection at the registered office of the Company between business hours on all working days up to the date of the Meeting;
- 15) Member are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited, "Computech", 147, Mahatma Gandhi Road, Fort, Mumbai - 400 023, Tel No: 022-22635000-001, Fax No.: 022-22635005, Email: [helpdesk@computechsharecap.com](mailto:helpdesk@computechsharecap.com).
- 16) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Vivek Wadhavkar, Compliance Officer, at the Company's registered office. Members are requested to note that dividend not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as per Section 205C of the Companies Act, 1956;
- 17) The following are the details of dividend paid by the Company and its respective due date of transfer of such fund to the Central Government, which remain unpaid:

Sr. No	Date of Declaration	Dividend for the year	Due date of transfer to the government
1	July 26, 2012	Final Dividend 2011-12	August 25, 2019
2	July 30, 2013	Final Dividend 2012-13	August 29, 2020
3	July, 31, 2015	Final Dividend 2014-15	August 30, 2022

It may be noted that the claimant of the shares transferred above shall be entitle to claim the transfer of dividend from Investor Education & Protection Fund in accordance with the procedure and submission of such documents as may be prescribed. In view of the above, those Shareholders who have not encashed their dividend warrants are advised to send all the unclaimed dividend warrants to the Registrar & Share Transfer Agents or at the Registered Office of the Company for revalidation and encash them before the due date for transfer to the Central Government;

- 18) Particulars of the dividend transferred to the General Revenue Account of the Central Government i.e. Investor Education & Protection Fund during the Financial Year ended March 31, 2016 pursuant to Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978:

Sr. No.	Date of Declaration of Dividend	Dividend for the Financial Year	Amount transferred to Investor Education & Protection Fund (Rs.)	Date of Transfer to Investor Education & Protection Fund
1	September 30, 2008	Final dividend 2007-08	148,870/-	October 27, 2015

- 19) As per the provisions of the Companies Act, 2013 read with the rules made thereunder facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company;
- 20) Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting;
- 21) The requirements of the Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the profile of the Director to be re-appointed is enclosed as **Annexure I**;

**22) E-voting:**

In compliance with section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 96<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

The Company has signed an agreement with CDSL for facilitating e-voting to enable the shareholders to cast their vote electronically.



**Process for E -Voting –  
The procedure and instructions for e-voting are as follows:**

- i. The voting period begins from 9.00 A.M. on Monday 25<sup>th</sup> July, 2016 and ends on Wednesday 27<sup>th</sup> July, 2016 at 5.00 P.M. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as cut-off date of Thursday, 21<sup>st</sup> July, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter;
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com);
- iii. Click on “Shareholders” tab to cast your votes;
- iv. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login;
- vi. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below;
- vii. Now, fill up the following details in the appropriate boxes:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to enter the password provided on the address label.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on “SUBMIT” tab;
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice;
- xi. Click on the EVSN for the relevant <Company Name>

on which you choose to vote;

- xii. On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option **YES** or **NO** as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution;
- xiii. Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolutions;
- xiv. After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**OK**”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote;
- xv. Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote;
- xvi. You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page;
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and Image verification code and click on Forgot Password & enter the details as prompted by the system;
- xviii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile;
- xix. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**In case of members receiving the physical copy:**

- 23) Please follow all steps from sr.no. (i) to sr.no (xx) above to cast vote.
- 24) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”)

and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

- 25) Mr. Pramod Shah, Partner of M/s. Pramod S. Shah & Associates, Practicing Company Secretaries (Membership No. FCS 334), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3(three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2(two) witness not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any and submit forthwith to the Chairperson of the Company;
- 26) The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com) and on the website of CDSL immediately after the result is declared by the Chairperson.

By order of the Board

**Pallavi Jha**  
Chairperson & Managing Director  
**DIN:- 00068483**  
**Address:-** 201, Sterling Heritage 39,  
N S Patkar Marg, Gamdevi,  
Mumbai - 400 007

**Place:** Mumbai

**Date:** 27<sup>th</sup> April, 2016

**Registered Office:**

1, Construction House, 5,  
Walchand Hirachand Marg,  
Ballard Estate, Mumbai - 400 001

#### **EXPLANATORY STATEMENT**

Pursuant to Section 102 of the Companies, Act, 2013:

##### **Item No. 5 & 6:**

At the 8<sup>th</sup> Nomination and Remuneration Committee Meeting and 1015<sup>th</sup> Meeting of the Board of Directors held on 27<sup>th</sup> April, 2016, the directors of the Company approved the re-appointment of Ms. Pallavi Jha as Managing Director of the Company for the period from 1<sup>st</sup> May, 2016 to 30<sup>th</sup> April, 2019. The Directors also approved the re-appointment of Mr. Sanjay Jha as the Whole-time Director of the Company for the period from 1<sup>st</sup> May, 2016 to 30<sup>th</sup> April, 2019. The Nomination and Remuneration Committee of the Company's Board of Directors reviewed the remuneration packages of the Managing Director and Whole-time Director of the Company with a view to align such package with the best practices prevailing in the corporate world and in the Training and Development Sector globally. The Nomination and Remuneration Committee decided to revise the terms and conditions of the re-appointment of the Managing Director and the Whole-time Director. The principal terms of the revision are:

Sr. No.	Particulars	Existing Remuneration (Amount in Lacs) Per Annum	Proposed Remuneration (Amount in Lacs) Per Annum
<b>Ms. Pallavi Jha, Chairperson and Managing Director</b>			
1	Salary	4,009,500	4,610,925
2	Perquisite	1,898,944	2,183,786

3	Commission	2,339,000	Amount of Commission for each financial year will be the amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board.
4	Limits	The total Remuneration including Salary, allowances, perquisites and Commission does not exceed INR 84 lacs subject to the approval of shareholders by special resolution (limit specified in Schedule V of the Companies Act, 2013)	The total Remuneration including Salary, allowances, perquisites and Commission shall be as per the provisions of Section 196, 197 and 203 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or such other limits as may be approved by the Central Government (if required).
<b>Mr. Sanjay Jha, Whole-Time Director</b>			
1	Salary	3,842,438	4,418,804
2	Perquisite	1,670,625	1,921,220
3	Commission	2,882,000	Amount of Commission for each financial year will be the amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board.
4	Limits	The total Remuneration including Salary, allowances, perquisites and Commission does not exceed INR 84 lacs subject to the approval of shareholders by special resolution (limit specified in Schedule V of the Companies Act, 2013)	The total Remuneration including Salary, allowances, perquisites and Commission shall be as per the provisions of Section 196, 197 and 203 of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or such other limits as may be approved by the Central Government (if required).

The Nomination and Remuneration Committee comprising of Independent Directors namely Mr. V. K. Verma (Chairman), Mr. Rajeev Dubey (Member) and Mr. M.N. Bhagwat (Member) approved and recommended the remuneration as set out in the body of the resolution which the Board has agreed to offer by its resolution dated 27.04.2016.

The remuneration proposed is in accordance with Section 196, Section 197 and Section 203 of the Companies Act, 2013 read with its relevant rules made thereunder and Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and as approved by the Members of the Nomination and Remuneration Committee and Board of Directors and subject to the approval of Shareholders of the Company by way of the Special Resolution in the forthcoming AGM and subject to approval by Central Government, if required.

As per Section 197 of the Companies Act, 2013, the re-appointment of Ms. Pallavi Jha, Managing Director & Mr. Sanjay Jha, Whole-Time Director, on the revised terms as set out in the body of resolution in the Clause A to F of the respective resolutions in the accompanying Notice shall be

paid with the approval of the shareholders in the forthcoming Annual General Meeting.

The Company is required to obtain the Central Government approval under the provisions of the Companies Act, 2013 for the payment of Remuneration, the maximum Remuneration permissible for payment to Ms. Pallavi Jha, Managing Director & Mr. Sanjay Jha, Whole-Time Director under the provisions of section 196, 197 and 203 (and other relevant Sections) of the Companies Act, 2013 read with Schedule V to the said Act or the maximum limit as may be notified from time to time be paid till the receipt of the approval of the Central Government.

On receipt of the approval of the Central Government the amount of remuneration on the terms as approved by the Central Government as reduced by the Remuneration already paid for the period for which the Central Government's approval is sought, be paid to Ms. Pallavi Jha, Managing Director & Mr. Sanjay Jha, Whole-Time Director in lump sum and that after the date of the approval, Ms. Pallavi Jha & Mr. Sanjay Jha be paid the remuneration as per the terms and conditions approved by the Central Government.

The Company has not made any default in repayment of any of its debts (including deposits) or debentures or interest payable thereon for continuous period of 30 days in the preceding financial year before the date of re-appointment of the Managing Director and the re-appointment of the Whole time Director respectively.

The aforesaid revisions in the terms of re-appointment of Ms. Pallavi Jha as Managing Director and Mr. Sanjay Jha as Whole-time Director, presently requires the approval of the Shareholders pursuant to Section 197 of the Companies Act, 2013 read with Schedule V to the Act and approval of Central Government. The Board accordingly recommends the resolutions to be passed as special resolution, set out at item no. 5 & 6 of the accompanying notice. Your approval is sought for the same.

Ms. Pallavi Jha and Mr. Sanjay Jha are interested in the resolutions as it pertains to their re-appointment as Managing Director and Whole-time Director respectively at item no. 5 & 6 and remuneration payable to them. Mr. Sanjay Jha, being husband of Ms. Pallavi Jha is deemed to be concerned or interested in the resolution at item no. 5. Ms. Pallavi Jha, being wife of Mr. Sanjay Jha is deemed to be concerned or interested in the resolution at item no. 6. None of the other Directors of the Company are in any way concerned or interested in this resolution.

This explanation together with the notice is and should be treated as abstract of the terms of re-appointment of Ms. Pallavi Jha as Managing Director of the Company and Mr. Sanjay Jha as Whole-time Director of the Company respectively and a Memorandum as to the nature of the concern or interest of the Directors in the said re-appointments, as required under Section 190 of the Companies Act, 2013. Information required on the matter pursuant to Section II, Part II of Schedule V to the Companies Act, 2013 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in **Annexure II**.

#### **ANNEXURE I**

#### **DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER REGULATION 36 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING**

#### **OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

#### **Mr. Sanjay Jha Executive Director, Dale Carnegie Training India**

Mr. Sanjay Jha is the Executive Director of the world-famous Dale Carnegie Training operations in India, which has a global experience of having worked with over 400 of the Top Fortune 500 companies. Mr. Sanjay Jha is also the National Spokesperson of the Indian National Congress Party since 2013 and represents his political party in TV debates and discussions.

Mr. Sanjay Jha has been a TEDx Speaker and has addressed enlightened audiences at Brookings, United Nations Young Achiever's Conclave, Toastmaster, Goldman Sachs, Apple etc. He is also a regular columnist with The Huffington Post. He is one of India's top influencers on social media like Twitter.

He has founded one of the world's leading internet portals called CricketNext.Com which is now part of the Network 18 media Group, owned by Reliance Industries.

Prior to starting Dale Carnegie, Mr. Sanjay Jha worked with ITC Threadneedle Asset Management (part of BAT plc, UK), Alliance Capital (New York, USA), Bank of America and ANZ Grindlays Bank.

Mr. Sanjay Jha completed his MBA from XLRI, Jamshedpur and his Master's in Economics from Gokhale Institute of Politics and Economics, University of Pune. He graduated with distinction in Economics from Fergusson College, Pune.

Mr. Sanjay Jha has also written a cricket anthology titled 11—Triumphs, Trials and Turbulence in Indian cricket. Mr. Sanjay Jha has recently authored a book on leadership called The Superstar Syndrome (The Making Of A Champion), co-authored with Dr. Myra White, who is a Professor at the Harvard Medical School. This book was launched in August 2013 and featured in the Crossword Bestseller list.

#### **ANNEXURE II**

#### **INFORMATION / DISCLOSURE STATEMENT**

Annexure to the Notice convening the 96<sup>th</sup> Annual General Meeting to be held on 28<sup>th</sup> July, 2016:

Pursuant to Section II, Part II of Schedule V of the Companies Act, 2013 (the Act) and Regulation 36 of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 in respect of item no. 5 & 6 of the accompanying Notice pertaining to re-appointment of Managing Director and Whole-time Director respectively and their remuneration.

#### **I. GENERAL INFORMATION:**

##### **(1) Nature of Industry:**

The Company is in the business of specialised sector of Training and Development dedicated to capacity building among corporates, institutions and individuals.

##### **(2) Date or expected date of commencement of commercial production:**

Not applicable as the Company is an existing Company.

##### **(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not applicable as the Company is an existing Company.

##### **(4) Financial performance based on given indicators -**

as per audited financial results for the year ended March 31, 2016:

Sr. No.	Particulars	2015-2016 (INR in Lacs)
1	Income from operations	2,274.95
2	Other income	139.61
3	Profit/(Loss) before interest, depreciation & Taxation	412.69
4	Net Profit/ (Loss)	248.10
5	Profit computed as per the Section 198 of the Companies Act, 2013	248.10

- (5) **Foreign investment or collaborations, if any:**  
The Company is a franchisee of Dale Carnegie Associates in India and offers the training programs and courses through its trained and certified faculty.

## II. INFORMATION ABOUT THE APPOINTEE:

### Background details:

#### 1. **Pallavi Jha** **Chairperson & Managing Director** **Dale Carnegie Training India** **Walchand PeopleFirst Ltd.**

Ms. Pallavi Jha is the Chairperson & Managing Director of Dale Carnegie Training India, Walchand PeopleFirst Ltd.

Ms. Pallavi Jha has diversified exposure to various management practices in areas such as training and development, HR, consulting and business restructuring, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry. She is also a prominent voice for women's role in leadership and the Learning and Development industry.

Earlier, she was an Executive Director of India's leading construction Company, HCC, an erstwhile Walchand Group Company before starting off her own ventures. She also worked briefly in market research at Feedback Ventures and Procter & Gamble.

After her stint with HCC, Ms. Pallavi Jha turned her attention to new entrepreneurial ventures. In 2000, riding the dotcom wave, she promoted Cricketnext.com, which went on to become the second largest cricket website in the world and was the official website of the Cricket World Cup in 2003. She successfully sold it to TV 18 Group in 2007. After the launch of Cricketnext, she trained her eyes on the legacy business of Walchand Capital, a leading NBFC and led the change in its business model into a financial training provider. She eventually transformed it into a Soft Skills training market leader in partnership with Dale Carnegie Training, which led to the rechristening of the Company to Walchand PeopleFirst Limited. She has singularly led the India operations into one of the fastest growing regions for Dale Carnegie Training, winning several global awards for training and sales excellence.

She has been a vocal spokesperson for industry associations, and has chaired and moderated panel discussions involving India's leading business leaders. She has played a pioneering role in setting up India's first Finishing School

focused on soft-skills training, the missing ingredient in the talent development and employability challenge confronting Indian industry.

She has been a keynote speaker and a panel member in various forums on business, HR, training and leadership. She is an active member of the Confederation of Indian Industry and has held offices of the Chairperson for Maharashtra Council, CII and the Skills Development Committee for CII, Western Region, the National Council on Skills Development, CII and its National Sub-committee on School Education. Currently she is Chairperson, Indian Women's Network, Maharashtra, a CII initiative aimed at engaging, enabling and empowering women. Additionally, she has been part of women's groups, which has encouraged first generation women entrepreneurs into taking business initiatives.

Ms. Pallavi Jha is an MBA from Syracuse University, New York with a specialization in Marketing and Market Research and a graduate in humanities from St Xavier's College, Mumbai.

#### **Mr. Sanjay Jha** **Executive Director,** **Dale Carnegie Training India**

Mr. Sanjay Jha is the Executive Director of the world-famous Dale Carnegie Training operations in India, which has a global experience of having worked with over 400 of the Top Fortune 500 companies. Mr. Sanjay Jha is also the National Spokesperson of the Indian National Congress Party since 2013 and represents his political party in TV debates and discussions.

Mr. Sanjay Jha has been a TEDx Speaker and has addressed enlightened audiences at Brookings, United Nations Young Achiever's Conclave, Toastmaster, Goldman Sachs, Apple etc. He is also a regular columnist with The Huffington Post. He is one of India's top influencers on social media like Twitter.

He has founded one of the world's leading internet portals called CricketNext.Com which is now part of the Network 18 media Group, owned by Reliance Industries.

Prior to starting Dale Carnegie, Mr. Sanjay Jha worked with ITC Threadneedle Asset Management (part of BAT plc, UK), Alliance Capital (New York, USA), Bank of America and ANZ Grindlays Bank.

Mr. Sanjay Jha completed his MBA from XLRI, Jamshedpur and his Master's in Economics from Gokhale Institute of Politics and Economics, University of Pune. He graduated with distinction in Economics from Fergusson College, Pune.

Mr. Sanjay Jha has also written a cricket anthology titled 11-Triumphs, Trials and Turbulence in Indian cricket. Mr. Sanjay Jha has recently authored a book on leadership called The Superstar Syndrome (The Making Of A Champion), co-authored with Dr. Myra White, who is a Professor at the Harvard Medical School. This book was launched in August 2013 and featured in the Crossword Bestseller list.

(2) Past Remuneration:

(Amount in Lacs)

Sr. No.	Particulars	During the year ended 31 <sup>st</sup> March, 2016
<b>Ms. Pallavi Jha - Chairperson and Managing Director</b>		
1	Salary	40.10
2	Performance Pay	23.39
3	Contribution to PF	4.81
4	Perquisites	18.99
5	Contribution to Super Annuation Fund	6.01
6	Gratuity	1.93
	<b>Total</b>	<b>95.23</b>
<b>Mr. Sanjay Jha - Whole-time Director</b>		
1	Salary	38.42
2	Performance Pay	28.82
3	Contribution to PF	4.61
4	Perquisites	16.71
5	Contribution to Super Annuation Fund	5.76
6	Gratuity	1.85
	<b>Total</b>	<b>96.17</b>

(3) Recognition or awards during the year:

- Ms. Pallavi Jha - Women Super Archiver Award by World HRD Congress
- Mr. Sanjay Jha – NIL

(4) Job profile and their suitability:-

Ms. Pallavi Jha - Same as above in Para II (1)  
Mr. Sanjay Jha - Same as above in Para II (1)

(5) Remuneration proposed:

Ms. Pallavi Jha - Same as mentioned in body of Resolution at Item No. 5  
Mr. Sanjay Jha - Same as mentioned in body of Resolution at Item No. 6

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

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

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

**Ms. Pallavi Jha:**

Ms. Pallavi Jha is interested in the resolution as it pertains to her re-appointment and remuneration payable to her. Mr. Sanjay Jha, being husband is deemed to be concerned or interested in the resolution at item no. 5. None of the other Directors of the Company is in any way concerned or interested in this resolution.

**Mr. Sanjay Jha:**

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

**III NAMES OF COMPANIES IN WHICH THE PERSON ALSO HOLDS THE DIRECTORSHIP AND THE MEMBERSHIP OF COMMITTEES OF THE BOARD:**

Name	Name of the Company	Directorship	Committee Member
Pallavi Jha	Walchand and Company Private Limited	Director	-
	Walchand Netsoft Private Limited	Director	-
Sanjay Jha	Walchand and Company Private Limited	Director	-
	Walchand Netsoft Private Limited	Managing Director	-

## DIRECTORS' REPORT

To,  
The Members  
Walchand PeopleFirst Limited

The Directors are pleased to present the 96<sup>th</sup> Annual Report along with the Audited Financial Statements of your Company for the Financial Year ended 31<sup>st</sup> March, 2016.

### The State of the Company's Affairs

#### 1. KEY FINANCIAL HIGHLIGHTS :

<i>Particulars</i>	For the Year ended 31 <sup>st</sup> March, 2016 <i>(INR. in lakhs)</i>	For the Year ended 31 <sup>st</sup> March, 2015 <i>(INR. in lakhs)</i>
<b>Profit before interest, depreciation and taxation</b>	<b>412.70</b>	<b>210.87</b>
Less: Interest	0.05	7.77
Less: Depreciation/Amortisation	36.75	41.06
Less: Provision for Taxation - Current / earlier years	117.88	55.06
Less: Deferred Tax recognized	9.92	(9.04)
Net Profit	248.10	116.02
Add: Balance brought forward	530.25	462.71
Less: Effect of Depreciation due to change in the Companies Act	-	13.53
Amount available for appropriation	778.35	565.20
Proposed Final Dividend	-	29.04
Dividend Tax	-	5.91
Balance carried to Balance Sheet	<u>778.35</u>	<u>530.25</u>

During the year under review, the Company has reported a total income of Rs. 2,414.55 lakhs out of which non-operating income amounts to Rs. 139.61 lakhs. Income from operations is Rs. 2,274.95 lakhs which has increased by Rs. 469.52 lakhs i.e. by 26% as compared to the previous year.

#### 2. DIVIDEND :

Your Directors are pleased to recommend a final dividend of Rs. 1.25/- per equity share.

#### 3. TRANSFER TO RESERVES :

The Company has proposed to transfer Nil amount to the General Reserve out of amount available for appropriations.

#### 4. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

##### (A) Conservation of energy -

Sub-rule 3(A) of Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to the Conservation of energy is not applicable to the Company.

##### (B) Technology Absorption -

Sub-rule 3(B) of Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to the Technology Absorption

is not applicable to the Company.

#### (C) Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows is as follows:

(A) Expenditure In Foreign Currency	Financial Year ended 31.03.2016 <i>(INR in Lakhs)</i>	Financial Year ended 31.03.2015 <i>(INR in Lakhs)</i>
Royalty Remitted	186.16	149.07
Others	8.51	6.91
<b>(B) Earning In Foreign Currency</b>		
Professional Fees	14.73	15.60
Others	4.07	0.34

#### 5. MANAGEMENT DISCUSSION AND ANALYSIS:

##### Industry Structure & Developments

The news on the Indian Economy is mixed. Banks like Credit Suisse and Deutsche Bank have downgraded the Indian market and have flagged global investors over India's slower than expected reform process. By the end of fiscal 2016, the sentiment seemed to have turned negative, reflecting perhaps excessive optimism about the pace of reform and therefore the potential rate of growth of the economy and corporate profitability in the immediate aftermath of the 2014 elections.

Rating agency Crisil has said that there are no signs of the Indian economy sharply rebounding in FY 2017 as the fiscal policy remains restrictive. Leverage and non-performing assets of banks will remain a challenge. The agency has predicted that monsoon will also be a major factor to decide consumption. At present the consumption is mainly from urban areas. If it rains, the rural consumption will grow. Along with spurring rural consumption, big attention is required towards two sectors - Power and Banking - as unless they are cleared up they will restrict the flow of credit into the system which is critical for industry growth.

##### Opportunities & Challenges

The industry for HR services has been around from more than three decades. Over the last few years, the HR industry has witnessed some radical leaps. While there are varying opinions on the exact size of the industry, Recruitment services account for the major share - almost 70%. Some of the other services that command a big market share include Learning & Development, Outsourcing, Technology and Consulting/Advisory services.

As per the People Matters' HR Industry Study 2015, the size of India's HR industry is Rs. 40,000 crores, of which the Learning & Development and Consulting segments are over Rs. 10,000 Crores. Companies are increasing their

budgets for training, leadership development, coaching & executive education. Top areas which are outsourced are Hiring, Training programs, Succession planning, Communication, Assessment products and Rewards & Recognition.

Deloitte's Annual Global Human Capital Survey 2015 said that Corporate Learning emerged as a pressing issue among corporates. 85% of the respondents ranked Learning & Development as a priority issue compared to 70% last year. Given the wide skill gap in the organization, learning has become a business critical priority for skilling.

Skilling and education are two segments where buyers & sellers will collaborate. Driven primarily by demand for more skilled manpower in the corporate sector, the Learning & Development segment in India comprises learning at all levels from school education to corporate training. The demographic composition of the workforce is changing with more personnel from the rural sector and Tier II cities entering the organized sector. While it is widely recognized that a very small percentage of academic courses in India churn out professionals who are fit to join the corporate workforce, the last few years have seen a large number of corporations hiring professionals at the grassroots level and grooming them as per their requirements. Training at grassroots level will shape the direction of Learning & Development services in the country.

Your company enjoys market leadership in the areas of Corporate Learning & Development and Consulting services. With a full-spectrum of services including training programs in Communication, Inter-personal skills, Presentation skills, Selling skills, Customer Service and Leadership development as well as Assessments services, Organization Design, Talent Management and Succession planning services your company is the preferred partner to hundreds of clients. One large area of impact in the client organizations is that of Employee Engagement from benchmarking services to solution implementation.

To further expand the company's reach to grassroots level training we now plan to increase our focus on employability training under the India Futures division. This segment will leverage opportunities with educational institutions, government and its partners as well as through corporate CSR.

One key gap being faced by players in this area is that the industry lacks qualified trainers and the talent shortage is one of the most significant challenges that CEO's of Learning & Development companies face. The lack of certified professional trainers in India can potentially hinder growth and maturity of the market.

Dale Carnegie has a strong track record of developing globally certified trainers and facilitators for over a 100 years. Building on this expertise, India Futures will be offering certification courses for career development facilitators. Your company sees a great opportunity in capacity building for the Learning & Development industry.

### **Outlook, Risks & Control**

Some economists believe that the Indian Economy on the

whole is doing fine, but there are risks to global growth which can slowdown more which is bound to affect India. The current government which is at its mid-point has a critical task of implementing the announced reforms during 2016-17. The Government will be closely watched for its success in getting the pending big ticket reforms when GST and Bankruptcy code passed which will not only be a big sentiment booster but will enhance country's medium term growth potential.

There are several opportunities for the sector and the outlook for the coming months will continue to remain positive. The demand side challenges and increasing pressure on HR organizations in India will compel the creation of new services. The imminent skills shortage, changing nature of the workforce composition and the growing influence of social media will likely drive the introduction of new services such as employer branding consulting and online / computer based skilling services which will drive new and innovative products in the areas of talent and performance management, engagement and retention.

### **Cautionary Statement**

Your Company endeavors to perform and attempt to deliver the best at all times. However, the statements made in this report describing the Company's objectives, expectations or predictions shall be read in conjunction with the government policies as issued and amended from time to time, the micro as well as macroeconomic scenario prevailing at that time, global developments and such other incidental factors that may extend beyond the control of the Company and Management. Keeping this in view, the actual results may materially vary from those expressed in the statement.

### **Internal Control Systems**

Your Company ensures that appropriate risk management limits, control mechanisms and mitigation strategies are in place through its efficient and effective Internal Control System and the same completely corresponds to its size, scale and complexity of operations. The Company strives to put several checks and balances in place to ensure that confidentiality is maintained. Effective procedures and mechanisms are rolled out by a full-fledged Internal Audit System to ensure that the interest of the Company is safeguarded at all times. In addition to this, the Risk Assessment policy of the organization is reviewed on a quarterly basis by the Audit Committee / Board of Directors of your Company.

### **Financial Performance**

Total income achieved during the year under review is INR 2414.55 lakhs as against INR 1911.30 lakhs in the previous year. Income from operations of the Company has been INR 2274.95 lakhs against INR 1805.43 lakhs in the previous year, showing an increase of 26%. After providing for taxation of INR 117.89 lakhs and deferred tax liability of INR 9.92 lakhs, the net profit of the Company

is INR 248.10 lakhs as against the profit after tax of INR 116.02 lakhs in the previous year. Operating Profit (Income from operations less direct expenses) of the Company for the current year is INR 608.75 lakhs as compared to INR 401.74 lakhs in the previous year, and hence has increased by 52% compared to the previous year, largely on account of increase in revenues. Total EBITDA is 17% on total income as compared to 11% in last year. Total PAT is 10% on total income as compared to 6% in last year.

#### **Human Resources**

While growth and success are the prime motto of your Company, at the same time it also realizes the importance of its intellectual capital. Continuous efforts are made to enhance manpower productivity through its comprehensive compensation and benefit plans for all its employees. In order to develop a healthy environment within the organization, we have a strong Performance Management System which ensures fairness and growth of all individuals. A comprehensive code of conduct has been developed for all employees which reinforces our work ethics. An average eight days of training per year for each employee is directed at enriching leadership, behavioral, functional and technical skills as well as bringing about a change in the attitude, knowledge and skill of employees. Thus, through this process of learning and concurrent rewarding, your Company aims to equip its employees with essential skills and competencies that would enable them to step the ladder of success.

#### **6. REVISION OF FINANCIAL STATEMENT OF THE COMPANY/THE REPORT OF THE BOARD:**

The Financial Statement of the Company/Board Report has not been revised during the Financial Year 2015-2016 as per Section 131 of the Companies Act, 2013.

#### **7. ANNUAL RETURN:**

The extract of Annual Return pursuant to Section 92 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 (subject to amendment and re-enactment from time to time) in the prescribed Form **MGT-9** is hereby attached with this Report in **Annexure I** and is a part of this Report. The same is as on 31<sup>st</sup> March, 2016.

#### **8. FIXED DEPOSITS:**

The Company has not accepted any deposits within the meaning of Section 73(1) of the Companies Act, 2013 and the Rules made thereunder.

#### **9. THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has adequate internal financial controls beside timely statutory audit, limited reviews and internal audits taking place periodically.

#### **10. BOARD MEETINGS:**

The Board of Directors (herein after called as “the Board”) met for four times during the Year under review:

Sr. No	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted
1.	06.05.2015	Construction House, Walchand Hirachand Marg, Ballard Estate, Mumbai- 400 001	1. Ms.Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M. N. Bhagwat 4. Mr. V. K.Verma 5. Dr. Vijay N. Gupchup 6. Mr. Rajeev Dubey	None
2.	31.07.2015	Construction House, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001	1. Ms. Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M. N. Bhagwat 4. Mr. V. K.Verma 5. Dr. Vijay N. Gupchup 6. Mr. Rajeev Dubey	None
3.	02.11.2015	Construction House, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001	1. Ms. Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M. N. Bhagwat 4. Mr. V. K.Verma	1. Mr. Rajeev Dubey 2. Dr. Vijay N. Gupchup
4.	29.01.2016	Construction House, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001	1. Ms. Pallavi Jha 2. Mr. Sanjay Jha 3. Mr. M.N.Bhagwat 4. Mr. V. K.Verma 5. Dr. Vijay N. Gupchup 6. Mr. Rajeev Dubey.	None

#### **11. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Changes in Directors and Key Managerial Personnel are as follows:

Sr. No.	Name of the Director	Particulars	Date of Resignation
N.A.	N.A.	N.A.	N.A.

#### **12. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013:**

Pursuant to Section 149(4) of the Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 (subject to amendment and re-enactment from time to time), the Central Government has prescribed that your Company shall have minimum two Independent Directors on its Board.

In view of the above provisions, your Company has following Independent Directors:

Sr. No.	Name of the Independent Director	Date of appointment/ Reappointment	Date of passing of special resolution(if any)
1.	<b>Mr. M.N.Bhagwat</b>	<b>30/07/2014</b>	<b>30/07/2014</b>
2.	<b>Mr. V. K.Verma</b>	<b>30/07/2014</b>	<b>30/07/2014</b>
3.	<b>Dr. Vijay N. Gupchup</b>	<b>30/07/2014</b>	<b>30/07/2014</b>
4.	<b>Mr. Rajeev Dubey</b>	<b>30/07/2014</b>	<b>30/07/2014</b>



All the above Independent Directors meet the criteria of 'independence' prescribed under section 149(6) and have submitted declaration to the effect that they meet with the criteria of 'independence' as required under section 149(7) of the Companies Act, 2013.

### 13. COMMITTEES OF BOARD:

#### I. Nomination and Remuneration Committee:

In accordance with the provisions of Section 178 of the Companies Act, 2013 read with rules, the Company has appropriate Nomination and Remuneration Committee consisting of three Non-executive Directors, all the Directors being Independent Directors. The Committee acts in accordance with the 'Terms of Reference' approved and adopted by the Board from time to time.

The Composition of the Committee is as under:

Sr. No.	Name of the Member	Designation
1	Mr. V. K. Verma	Chairman
2	Mr. Rajeew Dubey	Member
3	Mr. M. N. Bhagwat	Member

#### Remuneration Policy

##### □ Introduction:

The Company considers human resources as its invaluable assets. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 read with rules and the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company.

##### □ Objective and purpose of the policy:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors (Executive and Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, KMP and other employees;
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To devise a policy on Board diversity;
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals and support the organization's business strategy, operating objectives and human capital needs.

##### □ Constitution of Nomination and Remuneration Committee:

The Board has constituted the Remuneration Committee on April 29, 2004. The nomenclature of the said Committee was changed to "Nomination and Remuneration Committee" on 17<sup>th</sup> April, 2014. This is in line with the requirements of

the Companies Act, 2013. The Board has the authority to reconstitute the Committee from time to time.

##### □ Terms of Reference of the Nomination and Remuneration Committee:

The Nomination & Remuneration Committee is the subcommittee of the Board of Directors of the Company and the terms of reference of the Committee shall be decided by the Board from time to time. The roles and responsibilities of the Nomination and Remuneration Committee shall be as follows:

1. 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 of the Directors, Key Managerial Personnel and other employees;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
3. To determine such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
4. To review the ongoing appropriateness and relevance of the remuneration policy;
5. To approve the design of any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
6. To decide on all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to the Executive Directors and other senior executives and the performance targets to be used;
7. To consider and make recommendations in respect of any other terms of the service contracts of the executives and any proposed changes to these contracts, and to review the Company's standard form contract for Executive Directors from time to time;
8. To consider any other matters relating to the remuneration of or terms of employment applicable to the remuneration of the Directors, Key Managerial Personnel and other employees.

##### □ Appointment of Directors and Key Managerial Personnel:

The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and KMP and recommending candidates to the Board, when circumstances warrant the appointment of a new Director and KMP, having regard to the experience and expertise as may be deemed appropriate by the

Committee at the time of such recommendation.

□ **Term of appointment of Directors:**

a) **Managing Director/ Whole-time Director/Manager:**  
The Company shall appoint or re-appoint any person as its Managing Director, Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) **Independent Directors:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such person serves is restricted to seven listed companies as an Independent Director; and in case such person is serving as a Whole-time Director in any listed company the number of boards on which such person serves as Independent Director is restricted to three listed companies.

□ **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder including any amendments made thereon and any other applicable acts, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, Rules and Regulations.

□ **Retirement:**

The directors and KMP shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Directors and KMP after attaining the retirement age, for the benefit of the Company.

□ **Remuneration of Non-Executive Directors:**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees as detailed hereunder: Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies Managerial Remuneration Rules, 2014 (including any statutory modification or re-enactments thereof from time to time).

□ **Remuneration of Managing Director, CEO and Executive Director:**

i. The remuneration/commission to the Managing Director,

CEO and Executive Director will be determined by the Committee and recommended to the Board for approval.

ii. The remuneration, commission and increments to be paid to the Managing Director, CEO and Executive Director shall be in accordance with the provisions of the Companies Act, 2013 and the rules made there under.

iii. At the time of appointment or re-appointment, the Managing Director, CEO and Executive Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the CEO & Managing Director and Executive Director within the overall limits prescribed under the Companies Act, 2013 and rules made thereunder.

iv. The remuneration shall be subject to the approval of the Members of the Company in General Meeting, as applicable.

v. The remuneration of the Managing Director, CEO and Executive Director is broadly divided into fixed and variable components. The fixed compensation shall comprise of salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise of performance bonus/commission.

vi. In determining the remuneration (including the fixed increment and performance bonus/commission) the Nomination & Remuneration Committee shall consider the following:

- a. The relationship of remuneration and performance benchmarks is clear;
- b. Balance between fixed and variable pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- c. Responsibility required to be shouldered by the Managing Director, CEO and Executive Director and the industry benchmarks and the current trends;

vii. The Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

□ **Remuneration of Key Managerial Personnel and other employees:**

i. In determining the remuneration of the KMPs and other employees, the Nomination & Remuneration Committee shall consider the following:

- a. The relationship of remuneration and performance benchmark is clear;
- b. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- c. The remuneration is divided into two components viz. fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive;

- d. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market;
  - ii. The Managing Director & CEO will carry out the individual performance review of the KMPs, based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned hereinabove and decide on the annual increment and performance incentive. The overall policy for such calculations will be explained to the Nomination & Remuneration Committee for its review and approval.
  - iii. Such performance reviews will be carried out by the KMPs for other employees and discussed with the Managing Director & CEO to decide on the annual increments and performance incentives.
- **Remuneration to Non-Executive / Independent Director:**  
The Non-Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof except Stakeholders Relationship Committee/ Shareholders Grievance Committee Meeting, for which no sitting fees shall be paid. The sitting fees shall be paid as per the applicable provisions of the Companies Act, 2013 and rules made there under.

## II. Audit Committee:

The existing 'Audit Committee' of the Company consists of four Directors with Independent Directors forming a majority and the said constitution is in line with the provisions of Section 177 of the Companies Act, 2013, read with the rules. The Audit Committee acts in accordance with the 'Terms of Reference' specified by the Board in writing from time to time.

The Composition of the Committee is as under:

Sr. No.	Name of the Member	Designation
1	Mr. M. N. Bhagwat	Chairman
2	Mr. Sanjay Jha	Member
3	Mr. V. K. Verma	Member
4	Dr. Vijay N. Gupchup	Member

### Terms of Reference of the Audit Committee

The functions of the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by them;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism:
  - a. Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
  - b. The vigil mechanism under sub-section (9) of section 177 of the Companies Act, 2013 read with rules shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;
19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;
21. The Audit Committee shall have powers, which should include the following:
  - a. To investigate any activity within its terms of reference.  
The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of section 177 of the Companies Act, 2013 read with rules or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;
  - b. To seek information from any employee;
  - c. To obtain outside legal or other professional advice;

- d. To secure attendance of outsiders with relevant expertise, if it considers necessary;
22. All Related Party Transactions shall require prior approval of the Audit Committee.  
Approval or any subsequent modification of transactions of the company with related parties;
23. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital, etc), on a quarterly basis as a part of their quarterly declaration of financial results to the Audit Committee.

Further, on an annual basis, the company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the company. Furthermore, where the company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.

### III. Stakeholders Relationship Committee/ Shareholders Grievance Committee:

The Committee has the mandate to review, redress shareholders' grievances and to approve all share transfers.

The composition of the Stakeholders Relationship Committee / Shareholders Grievance Committee as on March 31, 2016 is as under:-

Sr. No.	Name of the Director	Category
1	Mr. V. K. Verma	Chairman
2	Mr. Sanjay Jha	Member
3	Ms. Pallavi Jha	Member

Mr. Vivek Wadhavkar, Senior Manager (Accounts and Finance) has been designated as the Compliance Officer.

The functions of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee include the following:-

1. Transfer /Transmission of shares;
2. Issue of duplicate share certificates;
3. Review of shares dematerialized and all other related matters;
4. Monitors expeditious redressal of investors' grievances;
5. Non receipt of Annual Report and declared dividend;
6. All other matters related to shares.

### IV. The vigil mechanism:

Your Company believes in promoting a fair, transparent,

ethical and professional work environment. The Board of Directors of the Company has established a Whistle Blower Policy & Vigil Mechanism in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for reporting the genuine concerns or grievances or concerns of actual or suspected, fraud or violation of the Company's code of conduct. The said Mechanism is established for directors and employees to report their concerns. The policy provides the procedure and other details required to be known for the purpose of reporting such grievances or concerns. The same is uploaded on the website of the Company ([www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com)).

**14. QUALIFICATIONS GIVEN BY THE AUDITORS:**

There are no qualifications, reservation or adverse remarks or disclaimers made by the Statutory Auditors of the Company in their report and by Secretarial Auditor, in their report.

**15. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:**

The company has entered into transactions with related parties in accordance with the provisions of the Companies Act, 2013 read with rules and the particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as **Annexure – II**.

**16. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 on Code of Conduct for Independent Directors, a comprehensive exercise for evaluation of the performances of every individual director, of the Board as a whole and its Committees and of the Chairperson of the Company has been carried by your Company during the year under review as per the evaluation criteria approved by the Board and based on guidelines given in Schedule IV to the Companies Act, 2013.

For the purpose of carrying out performance evaluation exercise, three types of Evaluation forms were devised in which the evaluating authority has allotted to the individual Director, the Board as a whole, its Committees and the Chairperson appropriate rating on the scale of five (as the Performance Evaluation Policy).

Such evaluation exercise has been carried out:

- (i) of Independent Directors by the Board;
- (ii) of Non-Independent Directors by all the Independent Directors in separate meeting held for the purpose on 29<sup>th</sup> January, 2016;
- (iii) of the Board as a whole and its Committees by all the Independent Directors in separate meeting held

for the purpose on 29<sup>th</sup> January, 2016;

- (iv) of the Chairperson of your Company by the Independent Directors in separate meeting held on 29<sup>th</sup> January, 2016 after taking into account the views of the Executive/ Non-Executive Directors;
- (v) of the Board by itself.

Having regard to the industry, size and nature of business your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

**17. AUDITORS:**

M/s. K. S. Aiyar & Co., Statutory Auditors of your Company having (ICAI Firm Registration 100186W) were appointed at the 95<sup>th</sup> Annual General Meeting of the Company held on 31<sup>st</sup> July, 2015 for a period of 5 years i.e. from FY 2015-2016 to 2019-20 subject to the ratification by the Members in every Annual General Meeting.

In view of the above, the Audit Committee is requested to note the eligibility of the Statutory Auditors for ratification of their appointment at the 96<sup>th</sup> Annual General Meeting of the Company, based on the Certificate received from them confirming that their ratification will be in accordance with the limits as laid down under Section 139 of the Companies Act, 2013 and that they do not attract any disqualification u/s. 141 of the Companies Act, 2013.

**18. SECRETARIAL AUDITOR:**

The Company has appointed M/s. Pramod S. Shah and Associates, Practicing Company Secretaries as a Secretarial Auditor of the Company, according to the provision of section 204 of the Companies, Act 2013 read with rules for conducting Secretarial Audit of Company for the financial year 2015-2016. The Report of the Secretarial Audit is annexed herewith as **Annexure III**. The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

**19. EQUITY SHARES WITH DIFFERENTIAL RIGHTS:**

The Company has not issued any equity shares with deferential voting rights.

**20. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:**

- a. None of the employees of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- b. The Details with regards to the payment of Remuneration to the Directors and Key Managerial Personnel is provided in Form MGT-9 – Extract of the Annual Return (appended as **Annexure I**).

**21. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating Management, your

Directors make the following statement and confirm that-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had 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 had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**22. Acknowledgement:**

Your Directors place on record their sincere gratitude for the assistance, guidance and co-operation the Company has received from all stakeholders. The Board further places on record its appreciation for the dedicated services rendered by the employees of the Company.

For and on behalf of the Board

**Pallavi Jha**  
Chairperson & Managing Director  
**DIN:- 00068483**

**Address:-** 201, Sterling Heritage 39,  
N S Patkar Marg, Gamdevi,  
Mumbai - 400 007

Place: Mumbai  
Date: 27<sup>th</sup> April, 2016

## ANNEXURE TO BOARD'S REPORT

### Annexure I

#### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31<sup>st</sup> March, 2016

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

#### I. REGISTRATION AND OTHER DETAILS

i)	CIN:-	L65993MH1920PLC000791
ii)	Registration Date –	6 <sup>th</sup> July, 1920
iii)	Name of the Company -	Walchand PeopleFirst Limited
iv)	Category of the Company Sub-Category of the Company	Company Limited by shares Indian Non-Government Company
v)	Address of the Registered office and contact details	Construction House ,5-Walchand Hirachand Marg, Ballard Estate, Mumbai-400 001, Maharashtra 022-67818181
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	M/s. Computech Sharecap Limited “Computech“, 147 Mahatma Gandhi Road, Fort, Mumbai-400 023, Maharashtra. Ph.: 022 - 22635001 / 22635002

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

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

Sr.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Consulting and Training Services	99929199	100%

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

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Walchand and Company Private Limited	U99999MH1922PTC001028	Holding company	54.69%	2(46)

#### 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/HUF	8630	0	8630	0.30	8036	0	8036	0.28	(0.02)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1520486	0	1520486	52.36	1588234	0	1588234	54.69	2.33
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total of (A) (1)</b>	<b>1529116</b>	<b>0</b>	<b>1529116</b>	<b>52.66</b>	<b>1596270</b>	<b>0</b>	<b>1596270</b>	<b>54.97</b>	<b>2.31</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1529116</b>	<b>0</b>	<b>1529116</b>	<b>52.66</b>	<b>1596270</b>	<b>0</b>	<b>1596270</b>	<b>54.97</b>	<b>2.31</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	2790	9310	12100	0.42	2790	9310	12100	0.42	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	12453	0	12453	0.43	11877	0	11877	0.41	(0.02)
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)</b>	<b>15243</b>	<b>9310</b>	<b>24553</b>	<b>0.85</b>	<b>14667</b>	<b>9310</b>	<b>23977</b>	<b>0.83</b>	<b>(0.02)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	97546	11250	108796	3.75	80500	11250	91750	3.16	(0.59)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	746468	274540	1021008	35.16	742616	270310	1012926	34.88	(0.28)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	68427	149740	218167	7.51	26977	149740	176717	6.09	(1.42)
c) Others (specify)	0	2250	2250	0.08	0	2250	2250	0.08	0
<b>Sub-total (B)(2):-</b>	<b>912441</b>	<b>437780</b>	<b>1350221</b>	<b>46.50</b>	<b>850093</b>	<b>433550</b>	<b>1283643</b>	<b>44.21</b>	<b>(2.29)</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>927684</b>	<b>447090</b>	<b>1374774</b>	<b>47.34</b>	<b>864760</b>	<b>442860</b>	<b>1307620</b>	<b>45.04</b>	<b>(2.30)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>2456800</b>	<b>447090</b>	<b>2903890</b>	<b>100</b>	<b>2461030</b>	<b>442860</b>	<b>2903890</b>	<b>100</b>	<b>0</b>



ii) **Shareholding of Promoters**

SR. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	Anuja Vivek Joshi	1620	0.06	0	1026	0.04	0	(0.02)
2	Kamalini Bahubali	5390	0.19	0	5390	0.19	0	0
3	Pallavi Sanjay Jha	1620	0.06	0	1620	0.06	0	0
4	Walchand And Company Pvt Ltd	1520486	52.36	0	1588234	54.69	0	2.33
	<b>TOTAL</b>	<b>1529116</b>	<b>52.66</b>	<b>0</b>	<b>1596270</b>	<b>54.98</b>	<b>0</b>	<b>2.31</b>

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

Sr. No.		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
	At the beginning of the year	1529116	52.66	1529116	52.66
	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):	Date wise increase/decrease of promoters holding: 1. 31/03/2016:- Transfer of 540 shares of Ms.Anuja Joshi's. 2. 29/05/2015:- Purchase of 10,955 shares by M/s. Walchand and Co. Pvt. Ltd. 3. 26/06/2015:- Purchase of 9,314 shares by M/s. Walchand and Co. Pvt. Ltd. 4. 23/07/2015:- Purchase of 3,283 shares by M/s. Walchand and Co. Pvt. Ltd. 5. 30/09/2015:- Purchase of 9,315 shares by M/s. Walchand and Co. Pvt. Ltd. 6. 04/12/2016:- Purchase of 10,289 shares by M/s. Walchand and Co. Pvt. Ltd. 7. 25/12/2015:- Purchase of 13,677 shares by M/s. Walchand and Co. Pvt. Ltd. 8. 31/03/2016:- Purchase of 10,915 shares by M/s. Walchand and Co. Pvt. Ltd.			
	At the End of the year	1596270	54.97	1596270	54.97

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

Sr. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Top 10 Shareholders</b>				
	At the beginning of the year				
1	Vivek Wadhavkar (Trustee)	88700	3.05	88700	3.05
2	Pallavi Sanjay Jha (Trustee)	61040	2.10	61040	2.10
3	Times Publishing House Limited	36843	1.27	36843	1.27
4	Dnyana Anand Patil	26977	0.93	26977	0.93
5	Paras Mal Kothari	18690	0.64	3972	0.14
6	Kruti Capital Services Pvt Ltd	18000	0.62	18000	0.62
7	The Oriental Insurance Company Limited	12453	0.43	11877	0.41
8	Anjana Sinha	11870	0.41	11870	0.41
9	Suprovat Mitter	10000	0.34	10000	0.34
10	Kanaklata Tibrewala	10890	0.38	9890	0.34

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

Sr. 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
	At the beginning of the year Pallavi Jha	1620	0.06	1620	0.06
	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):	-	-	-	-
	At the End of the year	1620	0.06	1620	0.06

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment :**

NIL and hence Not Applicable.

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ms. Pallavi Jha	Mr. Sanjay Jha	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,009,500	3,842,438	7,851,938
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961			
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	23,39,000	28,82,000	52,21,000
5	Others, please specify			
	Perquisites- House	1,006,284	-	1,006,284
	-Movable Assets	73,874	-	73,874
	-Car	-	39,600	39,600
	LTA and other items	818,786	1,631,025	2,449,811
	Total (A)	8,247,444	8,395,063	16,642,507
	Ceiling as per the Act	The total managerial remuneration payable in respect of financial year 2015-2016 shall not exceed eleven per cent of the net profit of the Company for financial year	The total managerial remuneration payable in respect of financial year 2015-2016 shall not exceed eleven per cent of the net profit of the Company for financial year 2015-2016 or	

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		2015-2016 or if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act, 2013.	if the same exceeds, it shall be within the limits of Schedule V Part II of the Companies Act, 2013.	

**B. Remuneration to other directors:**

Sr No.	Particulars of Remuneration	Mr. Rajeev Dubey	Mr. V. K. Verma	Dr. M. N. Bhagwat	Dr. Vijay N. Gupchup	Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	40,000	90,000	90,000	60,000	280,000
	<b>Total (1)</b>	<b>40,000</b>	<b>90,000</b>	<b>90,000</b>	<b>60,000</b>	<b>280,000</b>
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Total (B)=(1+2)	<b>40,000</b>	<b>90,000</b>	<b>90,000</b>	<b>60,000</b>	<b>280,000</b>
	Total Managerial Remuneration	<b>40,000</b>	<b>90,000</b>	<b>90,000</b>	<b>60,000</b>	<b>280,000</b>
	Overall Ceiling as per the Act	Sitting fee payable to the Director for attending the meeting of the Board or Committee shall not exceed one lakh rupees per meeting of the Board or Committee.				

**C. Remuneration To Key Managerial Personnel Other Than MD/MANAGER/WTD**

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	31,88,584	31,88,584
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify - Incentive	-	-	2,25,000	2,25,000
	<b>Total</b>	-	-	<b>34,13,584</b>	<b>34,13,584</b>

Note: The post of CEO and Company Secretary are vacant.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - Not Applicable**

**Annexure – II**

**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 arm's length transactions under third proviso thereto**

**1. Details of material contracts or arrangement or transactions not at arm's length basis: Not Applicable**

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

- (a) Name(s) of the related party and nature of relationship: Ms. Maithili Jha daughter of Ms. Pallavi Jha, Chairperson and Managing Director and Mr. Sanjay Jha, Whole-time Director.
- (b) Nature of contracts/arrangements/transactions: Payment of Salary pursuant to the arrangement with regard to employment.
- (c) Duration of the contracts / arrangements/transactions: Permanent.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Marketing Manager with a CTC of Rs. 6,67,120/- per annum for the financial year 2015-2016.
- (e) Date(s) of approval by the Board, if any: N.A.
- (f) Amount paid as advances, if any: NIL

**For and on behalf of the Board**

Pallavi Jha  
Chairperson & Managing Director  
**DIN:** 00068483  
**Address:** 201, Sterling Heritage 39,  
N S Patkar Marg, Gamdevi  
Mumbai-400007

**Place:** Mumbai

**Date:** 27<sup>th</sup> April, 2016

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016

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

To,  
The Members,  
WalchandPeopleFirst Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (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;
- (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, as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, as amended from time to time;

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

- (i) The Listing Agreements entered into by the Company with BSE Limited (Bombay Stock Exchange);
- (ii) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 1<sup>st</sup> December, 2015);
- (iii) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 & SS-2).

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

During the period, all the decisions in the Board Meetings were carried out unanimously.

We have relied on the representation made by the Company, its Officers and Reports of the Statutory Auditor for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company as listed in Annexure 1.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. (As mentioned above and listed in Annexure I)

**We further report that** during the audit period there were no specific events/ actions having a major bearing on the Company's affairs.

Pramod S. Shah-Partner  
Pramod S. Shah & Associates  
FCS No.: 334  
C P No.: 3804

Place: Mumbai

Date: 19<sup>th</sup> April, 2016

#### Annexure I

1. Employees' Provident Fund Act, 1952 and Rules
2. Professional Tax Act, 1975 and Rules
3. Payment of Gratuity Act, 1972
4. Apprentices Act, 1961
5. Contract Labour (R&A) Act, 1970
6. Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
7. Employees State Insurance Act, 1948
8. Employees Provident Fund & Misc provisions Act, 1952
9. Equal Remuneration Act, 1976
10. Minimum Wages Act, 1948
11. Payment of Bonus Act, 1965
12. Shop and Establishment Act, 1948
13. Income Tax Act, 1961
14. Finance Act, 1994
15. Maternity Benefit Act, 1961
16. Labour Welfare Fund Act, 1953

# CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

(As required under Clause 49 of the Listing Agreement with the Stock Exchange)

The Directors provides the Company's Report on Corporate Governance for the financial year 2015-2016.

## 1. COMPANIES PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve the Company's objective of enhancing stakeholder value and discharge of social responsibility. The Corporate Governance framework includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance. It is a journey for constantly improving sustainable value creation and an upward moving target. Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level.

The Corporate Governance philosophy of Walchand PeopleFirst Limited is based on the following principles:

- i. Management must have the executive freedom to drive the enterprise forward without undue restraints and Management is the trustee of the shareholders capital and not the owner. This freedom of management should be exercised within a framework of effective accountability.
- ii. Provide an enabling environment to harmonise the goals of maximizing stakeholder value and maintaining a customer-centric focus.
- iii. Have a simple and transparent corporate structure driven solely by business needs.
- iv. Communicate externally, in a truthful manner, about how the Company is running internally.
- v. Make clear distinction between personal conveniences and corporate resources.
- vi. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
- vii. Satisfy the spirit of the law and not just the letter of the law.

Our philosophy on Corporate Governance is thus concerned with the ethics, values and morals of Walchand PeopleFirst Limited and its Directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

## 2. BOARD OF DIRECTORS:

The Board of Directors and its Committees play a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its Members and other stakeholders and the utilization of resources for creating sustainable growth and societal wealth.

Walchand PeopleFirst Limited has a very balanced and diverse Board of Directors, who actively participates at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and plays a critical role on strategic issues.

### a. Composition of the Board of Directors:

The name and category of Director on the Board, the number of Directorship held by them in other Company and number of the Committees in which they are the Member are given herein below:

Sr. No.	Name of the Director	Category of the Director	No. of Directorships in each Companies		No. of Membership/ Chairmanship of other Board Committees	
			Public	Private	Member	Chairman
1	Ms. Pallavi Jha	Chairperson & Managing Director	2	-	-	-
2	Mr. Sanjay Jha	Whole-Time Director	2	-	-	-
3	Mr. M. N. Bhagwat	Independent Non-Executive	-	-	-	-
4	Mr. V. K. Verma	Independent Non-Executive	-	-	-	-
5	Dr. Vijay Gupchup	Independent Non-Executive	1	3	-	-
6	Mr. Rajeev Dubey	Independent Non-Executive	3	5	5	4

### b. Number and dates of Meetings along with the attendance of the Directors in the Board Meetings and the last Annual General Meeting:

The following are the details of the Meetings of the Board and Annual General Meetings held during the financial year 2015-2016:

Sr. No.	Name of the Director	Attendance at the Board Meetings held on				Attendance at the Annual General Meeting held on 31 <sup>st</sup> July, 2015
		06.05.2015	31.07.2015	02.11.2015	29.01.2016	
1	Ms. Pallavi Jha	Present	Present	Present	Present	Present
2	Mr. Sanjay Jha	Present	Present	Present	Present	Present
3	Mr. Rajeev Dubey	Present	Present	Absent	Present	Absent

4	Mr. V. K. Verma	Present	Present	Present	Present	Present
5	Mr. M. N. Bhagwat	Present	Present	Present	Present	Present
6	Dr. Vijay Gupchup	Present	Present	Absent	Present	Present

**c. Relationship between the Directors inter-se:**

Ms. Pallavi Jha, the Chairperson and Managing Director of the Company is wife of Mr. Sanjay Jha, the Whole-time Director of the Company.

None of the Directors other than the above mentioned Directors are related to each other.

**d. Number of shares and convertible instruments held by the Non-Executive Director in the Company:**

None of the Non-Executive Directors of the Company hold any shares and convertible instruments in the Company.

**e. Familiarisation programmes imparted to Independent Directors:**

Independent Directors play an important role in the governance processes of the Board. They bring their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making.

At the time of appointing a Director, a formal letter of appointment is given to him and the details pertaining to his roles, responsibilities, functions and the Board's expectation are explained to him in the Meeting.

In furtherance to the above, the Company holds Business Review Meeting every quarter to explain the details of the performance of the Company. Further, Directors' Vision Meeting is held annually to set the strategic directions of the Company. A presentation is shared by Ms. Pallavi Jha, Chairperson and Managing Director of the Company giving the details of the governance and internal control processes and other relevant information pertaining to the Company's Business.

**f. Board's Functioning & Procedures:**

The Board has complete access to any information within the Company. At Meetings of the Board, it welcomes the presence of Senior Management who can provide additional insights into the items being discussed.

The items placed at the Meeting of the Board include the following:-

- i. Unaudited Quarterly/Half Yearly financial results and Audited Annual Accounts of the Company, results and capital employed for consideration and approval;
- ii. Minutes of Meetings of Audit Committee, Stakeholders Relationship Committee / Shareholders Grievance Committee and Nomination and Remuneration Committee;
- iii. Abstracts of circular resolutions passed;
- iv. General notices of interest;
- v. Sale and/or purchase of investments, fixed assets;
- vi. Review compliance of all laws applicable to the Company including the requirements of the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges and steps taken by the Company to rectify instances of non compliances, if any;
- vii. Related party transactions;
- viii. Reviewing the Company's Financial and Risk Management policies;
- ix. Reviewing the business plan and strategy of the Company;

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial /business plans and financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions. The Minutes of the Meetings of the Board and committees thereof are circulated and thereafter tabled for discussion at the subsequent Board Meeting.

**3. COMMITTEES OF THE BOARD:**

The Company has developed all the necessary Committees of the Board namely:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholders Relationship Committee / Shareholders Grievances Committee.

The constitution, terms of reference and the functioning of the above mentioned Committees of the Board is explained herein. The Board reviews the functioning of these committees from time to time. The Chairman of these Committees conducts the Meetings and also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors and are tabled at the respective Board / Committee Meetings.

**I. AUDIT COMMITTEE:**

Audit Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board of Directors. The primary objective of the Audit Committee is to provide effective supervision of the Management's Financial Reporting process with a view to ensure accurate, timely and proper disclosures.

**i. Composition of the Audit Committee:-**

The Board constituted an Audit Committee of Directors on April 26, 2001.



The Audit Committee is duly formed and meets the requirement of the Companies Act, 2013 and also the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Audit Committee as at 31<sup>st</sup> March, 2016 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Category	Attendance at the Audit Committee Meetings held on			
			06.05.2015	31.07.2015	02.11.2015	29.01.2016
1	Mr. M. N. Bhagwat	Chairman- Independent Director	Present	Present	Present	Present
2	Mr. Sanjay Jha	Member- Whole-Time Director	Present	Present	Present	Present
3	Mr. V. K. Verma	Member- Independent Director	Present	Present	Present	Present
4	Dr. Vijay Gupchup	Member- Independent Director	Present	Present	Absent	Present

All the Members on the Audit Committee possess the requisite qualification for appointment on the Committee and have sound knowledge of finance, accounting practices and internal control.

As prescribed under the Act, the Chairman of the Committee who is an Independent Director was present at the Annual General Meeting of the Company.

**ii. Terms of Reference of the Audit Committee are as follows:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement forming part of the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by Management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report;
5. Reviewing, with the Management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk Management systems;
12. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;

- a. Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
  - b. The vigil mechanism under sub-section (9) of Section 177 of Companies Act, 2013, shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases;
19. Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
- a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
21. The Audit Committee shall have powers, which should include the following:
- a. To investigate any activity within its terms of reference.  
The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) of Section 177 of Companies Act, 2013, or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;
  - b. To seek information from any employee;
  - c. To obtain outside legal or other professional advice;
  - d. To secure attendance of outsiders with relevant expertise, if it considers necessary.
22. All Related Party Transactions shall require prior approval of the Audit Committee.  
Approval or any subsequent modification of transactions of the company with related parties;
23. When money is raised through an issue (public issues, rights issues, preferential issues etc.), the company shall disclose the uses / applications of funds by major category (capital expenditure, sales and marketing, working capital etc.), on a quarterly basis as a part of their quarterly declaration of financial results to the Audit Committee.

Further, on an annual basis, the company shall prepare a statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and place it before the audit committee. Such disclosure shall be made only till such time that the full money raised through the issue has been fully spent. This statement shall be certified by the statutory auditors of the company. Furthermore, where the company has appointed a monitoring agency to monitor the utilization of proceeds of a public or rights issue, it shall place before the Audit Committee the monitoring report of such agency, upon receipt, without any delay. The audit committee shall make appropriate recommendations to the Board to take up steps in this matter.

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial results, detailed presentations are made. The Agenda and the relevant notes are sent in advance separately to each Member to enable the Committee to take informed decisions.

The Minutes of the Meetings of the Committee are circulated through email to all the Members and confirmed at the subsequent Meeting.

## **II. NOMINATION AND REMUNERATION COMMITTEE:**

The purpose of the Committee shall be to discharge the Board's responsibilities relating to formulation of compensation plans and policies of the Company's Executive Directors.

### **i. Composition of the Nomination and Remuneration Committee:-**

The Board constituted Nomination and Remuneration Committee of Directors on April 29, 2004.

The composition of the Nomination and Remuneration Committee as at 31<sup>st</sup> March, 2016 and dates and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Category	Attendance at the Nomination and Remuneration Committee Meeting held on 06.05.2015
1	Mr. V. K. Verma	Chairman- Independent Director	Present
2	Mr. M. N. Bhagwat	Member- Independent Director	Present
3	Mr. Rajeev Dubey	Member- Independent Director	Present

**ii. Terms of Reference of the Nomination and Remuneration Committee are as follows:**

- 1) 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 of the directors, key managerial personnel and other employees;
- 2) To identify persons who are qualified to become directors and who may be appointed in Senior Management and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- 3) To determine such policy, taking into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the Executive Management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- 4) To review the ongoing appropriateness and relevance of the remuneration policy;
- 5) To approve the design of any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- 6) To decide on all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors and other senior executives and the performance targets to be used;
- 7) To consider and make recommendations in respect of any other terms of the service contracts of the executives and any proposed changes to these contracts, and to review the company's standard form contract for executive directors from time to time;
- 8) To consider any other matters relating to the remuneration of or terms of employment applicable to the remuneration of the Directors, Key Managerial Personnel and other employees.

**iii. Criteria's for the Performance Evaluation of the Independent Directors:**

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013, a comprehensive exercise for evaluation of the performances of every individual director, of the Board as a whole and its Committees and of the Chairperson of the Company has been carried by your company.

For the purpose of carrying out performance evaluation exercise, three types of evaluation forms were devised in which the evaluating director has allotted to the individual director, the Board as a whole, its Committees and the Chairperson appropriate rating on the scale of five (as per the Performance Evaluation Policy).

Such evaluation exercise has been carried out:

- (i) of Independent Directors by the Board;
- (ii) of Non-Independent Directors by all the Independent Directors in separate Meeting held for the purpose;
- (iii) of the Board as a whole and its Committees by all the Independent Directors in separate Meeting held for the purpose;
- (iv) of the Chairperson of your Company by the Independent Directors in separate Meeting after taking into account the views of the Executive/ Non-Executive Directors;
- (v) of the Board by itself.

Having regard to the industry, size and nature of business your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

The Independent Director of the Company are evaluated by the Non-Executive Directors and the other Directors of the Board. The criteria's for the evaluation of the Independent Directors are:

- a. Prior preparation and detailed study of the matters to be discussed at the Meetings of Board and members;
- b. Participation in deliberations and bringing relevant experience to the board table at its various Meetings;
- c. Devotion of sufficient time and attention to his responsibilities;
- d. Awareness of company's code of conduct or ethics policy and its compliance in true spirit;
- e. Proper assistance is provided by them in protecting the legitimate interest of the Company, Shareholder and Employees.
- f. Contribution made by them in important decisions making, in planning the strategies formulated by the management for progress of the Company and promoting the objects of the Company for the benefit of the Company's stakeholders.
- g. Assistance provided by them to the Board of Directors in implementing the best corporate governance practices.
- h. Abidance with the fiduciary duties and the accompanying liabilities that had come by reason of their appointment.
- i. Attendance and/or assistance provided in organizing special events on behalf of the Board.
- j. Specific contributions made during the year under review and if such contributions have made a positive effect on the governance of the Company.

**III. Stakeholders Relationship Committee / Shareholders Grievance Committee:**

The Committee has the mandate to review, redress shareholders' grievances and to approve all share transfers.

**a. Size and Composition:-**

The Company had duly constituted Stakeholders Relationship Committee / Shareholders Grievance Committee in July, 2001 to specifically look into the redressal of the shareholder's grievances, share transfers and other investor related matters.

The composition of the Stakeholders Relationship Committee / Shareholders Grievance Committee as on March 31, 2016 is as under:-

Sr. No.	Name of the Director	Category
1	Mr. V. K. Verma	Chairman- Non-Executive Director
2	Mr. Sanjay Jha	Whole-Time Director as Member
3	Ms. Pallavi Jha	Chairperson & Managing Director as Member

Mr. Vivek Wadhavkar, Senior Manager (Accounts and Finance) has been designated as the Compliance Officer.

**b. Meeting of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings:-**

During the financial year 2015-2016, 18 Meetings of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee were held. The dates on which it was held were:

25<sup>th</sup> April, 2015, 2<sup>nd</sup> May, 2015, 16<sup>th</sup> May, 2015, 6<sup>th</sup> June, 2015, 8<sup>th</sup> August, 2015, 5<sup>th</sup> September, 2015, 12<sup>th</sup> September, 2015, 19<sup>th</sup> September, 2015, 9<sup>th</sup> October, 2015, 21<sup>st</sup> November, 2015, 12<sup>th</sup> December, 2015, 9<sup>th</sup> January, 2016, 23<sup>rd</sup> January, 2016, 20<sup>th</sup> February, 2016, 27<sup>th</sup> February, 2016, 5<sup>th</sup> March, 2016, 12<sup>th</sup> March, 2016, 19<sup>th</sup> March, 2016.

**c. The functions of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee includes the following:-**

1. Transfer /Transmission of shares;
2. Issue of duplicate share certificates;
3. Review of shares dematerialized and all other related matters;
4. Monitors expeditious redressal of investors' grievances;
5. Non receipt of Annual Report and declared dividend;
6. All other matters related to shares.

**d. Investor Grievance Redressal:**

Number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of complaint	No. of complaints
Non Receipt of Annual Report	0
Non Receipt of Dividend Warrant	0
Non Receipt of Shares lodged for Transfer/Exchange	0
Non Receipt of Certificates	0
Others (Duplicate/Transmission/Procedure etc.)	0
<b>Total</b>	<b>0</b>

All valid share transfers received during the accounting year ended March 31, 2016 have been acted upon. There were no share transfers pending as on March 31, 2016, for more than 30 days.

The Stakeholder's Relationship Committee / Shareholders' Grievance Committee Meetings attends the matters related to Share Transfers, Deletion and Transmission.

**4. REMUNERATION PAID TO THE DIRECTORS OF THE COMPANY:**

At present, Non-executive and Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings /Audit Committee Meetings / Nomination and Remuneration Committee Meetings. No Sitting fees are paid for the Stakeholders Relationship Committee / Shareholders' Grievance Committee Meetings.

Details of remuneration paid to Directors during the financial year ended March 31, 2016 are as under:

(Amt in Lacs)

Name of Directors	Salary	Contribution to P.F. Gratuity and Superannuation Fund	Perquisites	Performance Pay	Sitting Fees	Total
Ms. Pallavi Jha	40.10	12.75	18.99	23.39	—	95.23
Mr. Sanjay Jha	38.42	12.22	16.71	28.82	—	96.17
Mr. Rajeev Dubey	—	—	—	—	0.40	0.40
Mr. V. K. Verma	—	—	—	—	0.90	0.90
Mr. M. N. Bhagwat	—	—	—	—	0.90	0.90
Dr. Vijay Gupchup	—	—	—	—	0.60	0.60

**5. GENERAL BODY MEETING:**

**a. The particulars of the last three Annual General Meetings are as under:**

Financial Year	Day and Date of the Annual General Meeting	Venue of the Annual General Meeting	Time of the Annual General Meeting	Special resolution passed
2012-2013	Tuesday, July 30, 2013	Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai - 400 020	3:00 P.M.	No Special Resolution
2013-2014	Wednesday, July 30, 2014	Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai - 400 020	3:00 P.M.	1. Re-appointment of Ms. Pallavi Jha as the Managing Director. 2. Re-appointment of Mr. Sanjay Jha as the Whole-time Director
2014-2015	Friday, July 31, 2015	Kilachand Conference Room, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai - 400 020	3:00 P.M.	No Special Resolution

**b. Details of the Special Resolution passed through Postal Ballot:**

During the year under review, no resolution has been passed through the exercise of postal ballot.

**6. DISCLOSURE:**

- There are no materially significant related party transactions of the Company which have potential conduct with the interests of the Company at large.
- The Company has complied with the requirements of the Bombay Stock Exchange (BSE), the Securities and Exchange Board of India (SEBI) and Statutory Authorities on all matters related to Capital Markets and no penalties/ structures were imposed on the Company during the last three years. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behaviour.
- During the year the following amounts were transferred to the Investors Education and Protection Fund:

Particulars	Date of Transfer	Amount (INR)
Matured Deposits	NIL	NIL
Interest on Matured Deposits	NIL	NIL
Unpaid Dividend	27 <sup>th</sup> October, 2015	148,870

**7. MEANS OF COMMUNICATION:**

- The quarterly, half yearly and annual results are communicated to all the members of the Company by publishing the same in English and Marathi National dailies namely Free Press Journal and Navshakti respectively.
- The Financial Statements are also displayed on the website of the Company [www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com)
- The Management Discussion and Analysis Report forms part of this Annual Report, which is sent to each member by post.
- The Company informs the Stock Exchange all price sensitive matters or such other matters which are material and of relevance to the shareholders.

**8. GENERAL SHAREHOLDERS INFORMATION:**

**I. Details of the Annual General Meeting for the financial year 2015-2016:**

Date: 28<sup>th</sup> July, 2016  
 Day: Thursday  
 Time: 3:00 P.M.  
 Venue: Kilachand Conference Room, Indian Merchants' Chamber,  
 IMC Marg, Churchgate, Mumbai – 400020

**II. Financial Year 2016- 2017:**

Calendar of event for the financial year 2016-17 are as follows:

Name of the Quarter/ Half year	Due date for the compliance
Quarter ending June 30, 2016	On or before 14 <sup>th</sup> August, 2016
Quarter/Half year ending September 30, 2016	On or before 14 <sup>th</sup> November, 2016
Quarter ending December 31, 2016	On or before 14 <sup>th</sup> February, 2017
Quarter/Year ending March 31, 2017	On or before 30 <sup>th</sup> May, 2017

### III. Dividend:

Company recommends a final dividend of Rs. 1.25/- per equity share.

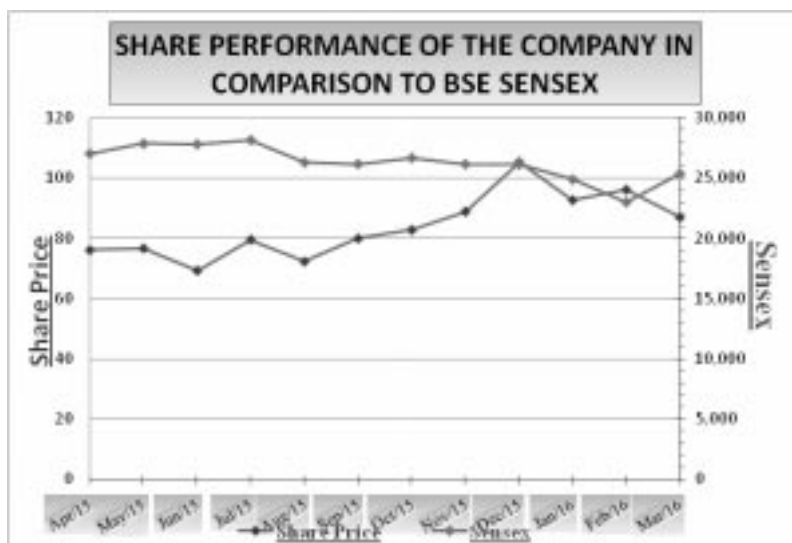
Date of Book Closure: July 21, 2016 to July 27, 2016 (both days inclusive).

Payment date: The Dividend warrants will be dispatched on or before Friday, 26<sup>th</sup> August, 2016

### IV. Details of the Stock Exchange in which the Company is listed:

- Name of the Stock exchange: The Bombay Stock Exchange Limited
- Listing fee for the year 2015-16 has been paid to the Stock Exchange.
- Stock Code- Physical: 501370 on The Bombay Stock Exchange Limited
- ISIN No. NSDL & CDSL: INE695D01021
- Market Price Data: High / Low price during each Month of 2015-16 on The Bombay Stock Exchange Limited and BSE Sensex are as under:

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
Apr-15	74	85	70	76	26040	935	2019680	18856	72.41	15	2
May-15	76	90	66.05	76.55	22780	368	1749569	18835	82.68	23.95	0.55
Jun-15	74	85	65	69.15	22888	520	1698591	17438	76.19	20	-4.85
Jul-15	68.95	89	66.5	79.45	28327	471	2143218	21961	77.53	22.5	10.5
Aug-15	76	89.95	70.2	72.15	17158	315	1336491	15104	88.03	19.75	-3.85
Sep-15	72	90	66.4	79.85	22346	413	1750248	17986	80.49	23.6	7.85
Oct-15	77	92.95	75	82.65	27136	374	2266170	20669	76.17	17.95	5.65
Nov-15	82	99	80.05	88.75	20979	389	1817127	16789	80.03	18.95	6.75
Dec-15	88.75	124	85.3	115.15	113180	1541	11709516	84240	74.43	38.7	26.4
Jan-16	110	114	83	92.6	21227	391	2165213	17349	81.73	31	-17.4
Feb-16	99.4	103.9	85	96	28724	397	2805227	24938	86.82	18.9	-3.4
Mar-16	92.05	98	81.5	86.85	10297	256	933866	8310	80.7	16.5	-5.2



### V. Share Transfer System and other related matters:

- Registrar and Share Transfer Agent:  
For both physical & demat segments:  
M/s. Computech Sharecap Limited.  
"Computech", 147, Mahatma Gandhi Road, Fort, Mumbai – 400 023  
Tel No.: 022-22635001-2 Fax No.: 022-22635005  
Email: [helpdesk@computechsharecap.com](mailto:helpdesk@computechsharecap.com)
- Share Transfer System:  
The shares lodged for transfer are processed by the Registrar and Share Transfer Agent and are approved by

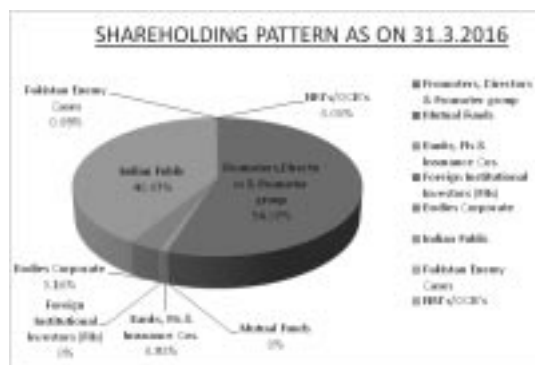
Stakeholder's Relationship Committee / Shareholders' Grievance Committee. Shares sent for transfer in physical form are registered and returned within a period of 15 days from the date of receipt, subject to documents being valid and complete in all aspects. Similarly, all requests for demat are received and processed by the Registrar and Share Transfer Agent and confirmations given to the depositories within the prescribed time limit.

- **Nomination Facility for Shareholding:**  
As per the provisions of the Companies Act, 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer agent of the Company.
- **Payment of Dividend through Electronic Clearing Service:**  
The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through Electronic Clearing Service (ECS) to investors wherever ECS and bank details are available. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.
- **Unclaimed Dividends:**  
Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Vivek Wadhavkar, Compliance Officer, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per sections 205A and 205C of the Companies, Act, 1956 and Section 123 & other applicable provisions of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
- **Correspondence regarding Change in Address:**  
Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited, "Computech", 147, Mahatma Gandhi Road, Fort, Mumbai -400 023, Tel No.: 022-22635001-5002, Fax No.: 022-22635005.  
Email: helpdesk@computechsharecap.com
- **Distribution of Shareholding as on March 31, 2016:**

NO. OF EQUITY SHARES HELD	NO. OF SHARE-HOLDERS	% OF SHARE-HOLDERS	NO. OF SHARES HELD	% OF SHARE HOLDING
1 - 50	3,911	56.40%	110,996	3.82%
51 - 100	1,300	18.75%	116,019	4.00%
101 - 200	760	10.96%	120,125	4.14%
201 - 300	353	5.09%	92,121	3.17%
301 - 400	138	1.99%	50,017	1.72%
401 - 500	125	1.80%	60,636	2.09%
501 - 1000	190	2.74%	141,342	4.87%
1001 AND ABOVE	157	2.27%	2,212,634	76.19%
<b>TOTAL</b>	<b>6,934</b>	<b>100%</b>	<b>2,903,890</b>	<b>100%</b>

#### Shareholding Pattern as on 31.03.2016:

Category	No. of shares held	Percentage to total (%)
a. Promoters, Directors & Promoter group	1596270	54.97
b. Banks, FIs & Insurance Cos.	23977	0.83
c. Bodies Corporate	91750	3.16
d. Indian Public	1189643	40.97
e. Pakistan Enemy Cases	2250	0.08
<b>Total</b>	<b>2903890</b>	<b>100.00</b>



- **Dematerialization of Shares:** The shares of the Company can be held and traded in electronic form. 84.75% (2,461,030 shares) of the Company's shares have been dematerialised as on 31.03.2016.
- **Outstanding ADRs/ GDRs:** Nil/ Warrants or any Convertible Instrument, conversion date and likely impact on equity.
- **Plant location:** Not Applicable
- **Address of the Company:** Walchand PeopleFirst Limited  
1, Construction house,  
5, Walchand Hirachand Marg,  
Ballard Estate, Mumbai-400 001  
Tel. No.: 022- 67818181  
Fax No.: 022-22610574  
Email: vivek@walchandgroup.com  
www.walchandpeoplefirst.com

#### 9. **CODE OF CONDUCT:**

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The Code is reviewed from time to time by the Board. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company's website [www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com)

#### 10. **CEO / CFO CERTIFICATE:**

The Managing Director and the Chief Financial Officer of the Company gives Annual Certification on Financial Reporting and Internal Controls to the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Managing Director and the Chief Financial Officer also gives quarterly certification on financial results to the Board in terms of Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**As annexed in Annexure D**).

#### 11. **TRADING IN THE COMPANY'S SHARES BY DIRECTORS AND DESIGNATED EMPLOYEES:**

In compliance with the SEBI (Prevention of Insider Trading) Regulations, 1992, your Company has adopted a Code of Conduct for Prevention of Insider Trading.

Mr. Vivek Wadhavkar, Compliance Officer of the Company is responsible for setting policies, procedures for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct for trading in Company's securities under the overall supervision of the Board. The same is displayed on the website of the Company [www.walchandpeoplefirst.com](http://www.walchandpeoplefirst.com)

#### 12. **DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

- In accordance with the provisions of Section 152 of the Companies Act, 2013, one-third of the total number of Directors for the time being is liable to retire by rotation. Accordingly one Director of the Company viz. Mr. Sanjay Jha will be retiring by rotation at the ensuing Annual General Meeting of the Company. Mr. Sanjay Jha, being eligible, offers himself for re-appointment.

**Mr. Sanjay Jha**  
**Executive Director,**  
**Dale Carnegie Training India**

Mr. Sanjay Jha is the Executive Director of the world-famous Dale Carnegie Training Operations in India, which has a global experience of having worked with over 400 of the Top Fortune 500 companies. Mr. Sanjay Jha is also the National Spokesperson of the Indian National Congress Party since 2013 and represents his political party in TV debates and discussions.

Mr. Sanjay Jha has been a TEDx Speaker and has addressed enlightened audiences at Brookings, United Nations Young Achiever's Conclave, Toastmaster, Goldman Sachs, Apple etc. He is also a regular columnist with The Huffington Post. He is one of India's top influencers on social media like Twitter.

He has founded one of the world's leading internet portals called CricketNext.Com which is now part of the Network 18 media Group, owned by Reliance Industries.

Prior to starting Dale Carnegie, Mr. Sanjay Jha worked with ITC Threadneedle Asset Management (part of BAT plc, UK), Alliance Capital (New York, USA), Bank of America and ANZ Grindlays Bank.



Mr. Sanjay Jha completed his MBA from XLRI, Jamshedpur and his Master's in Economics from Gokhale Institute of Politics and Economics, University of Pune. He graduated with distinction in Economics from Fergusson College, Pune.

Mr. Sanjay Jha has also written a cricket anthology titled "11—Triumphs, Trials and Turbulence in Indian cricket". Mr. Sanjay Jha has recently authored a book on leadership called The Superstar Syndrome (The Making Of A Champion), co-authored with Dr. Myra White, who is a Professor at the Harvard Medical School. This book was launched in August 2013 and featured in the Crossword Bestseller list.

- II. The tenure of the appointment of Ms. Pallavi Jha, as Managing Director expires on 30<sup>th</sup> April, 2016 and the Agenda pertaining to her re-appointment as MD will be taken up in the forthcoming Annual General Meeting, for the shareholders approval.

**Pallavi Jha**  
**Chairperson & Managing Director**  
**Dale Carnegie Training India**  
**Walchand PeopleFirst Ltd**

Ms. Pallavi Jha is the Chairperson & Managing Director of Dale Carnegie Training India, Walchand PeopleFirst Ltd.

Ms. Pallavi Jha has diversified exposure to various management practices in areas such as training and development, HR, consulting and business restructuring, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry. She is also a prominent voice for women's role in leadership and the Learning and Development industry.

Earlier, she was an Executive Director of India's leading construction company, HCC, an erstwhile Walchand Group company before starting off her own ventures. She also worked briefly in market research at Feedback Ventures and Procter & Gamble.

After her stint with HCC, Ms. Pallavi Jha turned her attention to new entrepreneurial ventures. In 2000, riding the dotcom wave, she promoted Cricketnext.com, which went on to become the second largest cricket website in the world and was the official website of the Cricket World Cup in 2003. She successfully sold it to TV 18 Group in 2007. After the launch of Cricketnext, she trained her eyes on the legacy business of Walchand Capital, a leading NBFC and led the change in its business model into a financial training provider. She eventually transformed it into a Soft Skills training market leader in partnership with Dale Carnegie Training, which led to the rechristening of the company to Walchand PeopleFirst Limited. She has singularly led the India operations into one of the fastest growing regions for Dale Carnegie Training, winning several global awards for training and sales excellence.

She has been a vocal spokesperson for industry associations, and has chaired and moderated panel discussions involving India's leading business leaders. She has played a pioneering role in setting up India's first Finishing School focused on soft-skills training, the missing ingredient in the talent development and employability challenge confronting Indian industry.

She has been a keynote speaker and a panel member in various forums on business, HR, training and leadership. She is an active member of the Confederation of Indian Industry and has held offices of the Chairperson for Maharashtra Council, CII and the Skills Development Committee for CII, Western Region, the National Council on Skills Development, CII and its National Sub-committee on School Education. Currently she is Chairperson, Indian Women's Network, Maharashtra, a CII initiative aimed at engaging, enabling and empowering women. Additionally, she has been part of women's groups, which has encouraged first generation women entrepreneurs into taking business initiatives.

Ms. Pallavi Jha is an MBA from Syracuse University, New York with a specialization in Marketing and Market Research and a graduate in humanities from St Xavier's College, Mumbai.

**13. OTHER DISCLOSURES:**

- a. There are no materially significant related party transactions that may have potential conflict with the interest of the listed entity at large;
- b. The Company is fully complied with the applicable regulations and hence there are no penalties imposed upon the Company by any of the Authority including the Stock Exchange.
- c. The Vigil Mechanism and the Whistle Blower policy are duly established and none of the personnel have been denied to access to the Audit Committee for any of their grievances.
- d. All the mandatory requirements are duly complied with.

**Annexure I**  
**DECLARATION**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management for the year ended 31<sup>st</sup> March, 2016.

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**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We, Pallavi Jha, Chairperson & Managing Director and Shruthi Patni, CFO, of **WALCHAND PEOPLEFIRST LIMITED**, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or proposed to take to rectify these deficiencies.
- D. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
1. significant changes, if any, in the internal control over financial reporting during the year;
  2. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,

Pallavi Jha  
Chairperson & Managing Director

Shruthi Patni  
Chief Financial officer

Mumbai  
27<sup>th</sup> April, 2016

## **CERTIFICATE ON CORPORATE GOVERNANCE**

**Certificate on compliance with the conditions of Corporate Governance as per the provisions of  
Chapter IV of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Members,  
**Walchand PeopleFirst Limited**

WE have examined the compliance of conditions of Corporate Governance by Walchand PeopleFirst Limited for the financial year ended 31<sup>st</sup> March, 2016 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the 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 the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with stock exchanges.

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

**For Pramod S. Shah & Associates**  
Practising Company Secretary

Place: Mumbai  
Date: 27<sup>th</sup> April, 2016

**Pramod S. Shah**  
Partner  
Membership No. 334

# AUDITORS' REPORT

## **Independent Auditor's Report To the Members of Walchand PeopleFirst Limited,**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Walchand PeopleFirst Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these 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 there under.

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. 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, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Government of India - Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure - A, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
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 aforesaid standalone 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 March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 22 to the Financial Statements;
  - ii. The Company does not have any long-term contracts having material foreseeable losses. The company does not have any derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For K. S. Aiyar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No. 100186W

**Satish Kelkar**  
**Partner**

**Place:** Mumbai  
**Date:** April 27, 2016

Membership No: 38934

#### **Annexure - A to the Auditor's Report**

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on March 31, 2016, of **Walchand PeopleFirst Limited**)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In absence of inventories, clauses (ii) of the Order are not applicable to the Company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clause (a), (b) and (c) are not applicable.
- (iv) As the company doesn't have any loans, investments, guarantees or securities provided in terms of section 185 & 186 of the Companies Act, 2013, the clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 or the Companies (Acceptance of Deposit) Rules 2014 or the directives issued by the Reserve Bank of India apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
- (vii) (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, sales tax, wealth tax, income-tax and service tax and other statutory dues. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at March 31, 2016, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company, the dues outstanding of income-tax, customs duty, wealth-

tax, service tax, and cess which have not been deposited on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount (Rs. In Lacs)	Period to which the amount relates	Forum where disputes pending
Income Tax Act, 1961	Income Tax	4.86 45.06	2009-10 2012-13	CIT(A) CIT(A)
Municipal Corporation of Greater Mumbai (BMC)	Property Tax	279.91	2000-01 to 2015-16	Bombay High Court
Mumbai Port Trust	Municipal Dues	128.13	1 <sup>st</sup> Jan.'99 to 31 <sup>st</sup> March' 16	City Civil Court

- (viii) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence clause 3(viii) of the order is not applicable to the Company.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) All transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the financial statement as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered

under section 45-IA of the Reserve Bank of India Act, 1934.

**For K. S. Aiyar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No. 100186W

**Satish Kelkar**  
**Partner**

**Place:** Mumbai  
**Date:** April 27, 2016

Membership No: 38934

### **Annexure-B to Auditor's report**

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

We have audited the internal financial controls over financial reporting of **Walchand Peoplefirst Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent

applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For K. S. Aiyar & Co.**  
**Chartered Accountants**  
ICAI Firm Registration No. 100186W

**Place:** Mumbai  
**Date:** April 27, 2016

**Satish Kelkar**  
**Partner**  
Membership No: 38934

## BALANCE SHEET AS AT MARCH 31, 2016

PARTICULARS	Note No.	As at March 31, 2016	Rs. in Lacs As at March 31, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	290.39	290.39
(b) Reserves and Surplus	3	1,065.85	861.44
		1,356.24	1,151.83
<b>(2) Non-current liabilities</b>			
(a) Other long-term liabilities	4	30.00	30.00
		30.00	30.00
<b>(3) Current liabilities</b>			
(a) Trade payables	5	70.12	60.11
(b) Other current liabilities	6	304.06	251.83
(c) Short term provisions	7	89.15	56.89
		463.33	368.83
	<b>TOTAL</b>	<b>1,849.57</b>	<b>1,550.66</b>
<b>II. ASSETS</b>			
<b>(1) Non current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		247.46	232.30
(ii) Intangible assets		8.66	12.67
(iii) Capital Work in Progress		0.91	-
(iv) Intangible Assets under development		15.38	-
		272.41	244.97
(b) Non-current investments	9	3.75	2.93
(c) Deferred tax assets (net)	10	12.52	22.43
(d) Long-term loans and advances	11	484.99	515.48
		773.67	785.81
<b>(2) Current Assets</b>			
(a) Trade receivables	12	548.22	334.88
(b) Cash and bank balances	13	449.35	397.15
(c) Short term loans and advances	14	44.58	14.09
(d) Other current assets	15	33.75	18.73
		1,075.90	764.85
	<b>TOTAL</b>	<b>1,849.57</b>	<b>1,550.66</b>

### SIGNIFICANT ACCOUNTING POLICIES

1

Notes on accounts form an integral part of financial statements.

As per our attached report of the even date

For **K. S. AIYAR & CO.**  
Chartered Accountants

**Satish Kelkar**  
Partner  
Membership No. 38934

Place : Mumbai  
Date : April 27, 2016

For and on behalf of the board of directors

**PALLAVI JHA**

Chairperson and Managing Director

**SANJAY JHA**

Whole Time Director

**SHRUTHI PATNI**

Chief Financial Officer



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>For the Year Ended March 31, 2016</b>	<b>Rs. in Lacs For the Year Ended March 31, 2015</b>
<b>Revenue</b>			
Revenue from Operations	<b>16</b>	<b>2,274.95</b>	1,805.43
Other income	<b>17</b>	<b>139.61</b>	105.87
<b>Total Revenue</b>		<b><u>2,414.56</u></b>	<u>1,911.30</u>
<b>Expenses</b>			
Employee benefit expenses	<b>18</b>	<b>1,121.41</b>	981.34
Royalty and related expenses		<b>281.05</b>	237.13
Training expenses		<b>163.45</b>	104.27
Travel, lodging and conveyance expenses		<b>100.27</b>	80.95
Rent and maintenance expense		<b>52.17</b>	51.55
Marketing expenses		<b>66.13</b>	41.87
Legal , Professional and Recruitment expenses		<b>48.20</b>	45.59
Finance Cost		<b>0.05</b>	7.77
Depreciation and amortisation expenses		<b>36.75</b>	41.06
Other Expenses	<b>19</b>	<b>169.17</b>	157.73
<b>Total Expenses</b>		<b><u>2,038.65</u></b>	<u>1,749.26</u>
<b>PROFIT BEFORE TAX</b>		<b>375.91</b>	162.04
<b>Tax Expenses</b>			
Current Tax	<b>20</b>	<b>120.70</b>	57.00
Income tax earlier years		<b>(2.81)</b>	(1.94)
Deferred tax		<b>9.92</b>	(9.04)
<b>PROFIT FOR THE YEAR</b>		<b><u>248.10</u></b>	<u>116.02</u>
<b>EARNING PER EQUITY SHARE</b>			
Equity shares of par value Rs 10/- each	<b>21</b>		
Basic and Diluted		<b>8.54</b>	4.00

**SIGNIFICANT ACCOUNTING POLICIES**

**1**

**Notes on accounts form an integral part of financial statements.**

As per our attached report of the even date

**For K. S. AIYAR & CO.  
Chartered Accountants**

**Satish Kelkar  
Partner  
Membership No. 38934**

**Place : Mumbai  
Date : April 27, 2016**

**For and on behalf of the board of directors**

**PALLAVI JHA**

**SANJAY JHA**

**SHRUTHI PATNI**

**Chairperson and Managing Director**

**Whole Time Director**

**Chief Financial Officer**

## CASH FLOW STATEMENT

Cash Flow Statement For the Year Ended 31st March, 2016

	2015-2016		2014-2015	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
<b>A Cash flows from operating activities:</b>				
Net Profit before tax		375.91		162.04
<b>Adjustments for:</b>				
Depreciation and amortization	36.75		41.06	
Wealth Tax	-		3.56	
Interest income	(34.86)		(26.62)	
Interest expense	-		7.57	
Loss / (Profit) on sale of assets	0.35		(0.08)	
Fixed assets written off	0.30		0.09	
Provision for doubtful debts	17.98		8.64	
Provision for expenses written back	(9.80)		(5.78)	
		<b>10.72</b>		<b>28.44</b>
		<b>386.63</b>		<b>190.48</b>
Adjustment for:				
Current assets, Trade receivables and Loans and advances	(277.01)		(68.35)	
Payables and Other liabilities	95.36	(181.65)	110.17	41.82
<b>Net cash from operating activities before income tax</b>		<b>204.98</b>		<b>232.30</b>
Taxes paid		(83.81)		(53.44)
<b>Net cash from operating activities</b>		<b>121.17</b>		<b>178.86</b>
<b>B Cash flow from investing activities:</b>				
Purchase of fixed assets	(49.89)		(17.38)	
Capital work in progress	(0.91)		4.43	
Intangible Assets under development	(15.38)		-	
Sale of fixed assets	1.34		0.42	
Sale of investments	-		0.08	
Investment in Bank fixed deposits	(118.35)		(79.26)	
Purchase of investments	(0.82)		(0.87)	
Dividend income	-		-	
Interest income	31.43		22.50	
<b>Net cash from investing activities</b>		<b>(152.58)</b>		<b>(70.08)</b>
<b>C Cash flow from financing activities:</b>				
Repayment of unsecured loan	-		(60.00)	
Repayment of secured loans	-		(62.22)	
Interest paid	-		(7.60)	
Dividend Paid	(28.83)		(1.17)	
Dividend Tax Paid	(5.91)		-	
<b>Net cash from financing activities</b>		<b>(34.74)</b>		<b>(130.99)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(66.15)</b>		<b>(22.22)</b>
<b>Cash and cash equivalents at beginning of year</b>				
Cash on Hand	0.81		0.36	
Balances with Banks	92.33	<b>93.14</b>	115.00	115.36
<b>Cash and Cash equivalents at the end of year</b>		<b>26.99</b>		<b>93.14</b>
<b>Components of Cash and cash equivalents at end of year</b>				
Cash on Hand	0.85		0.81	
Balances with Banks	26.14	<b>26.99</b>	92.33	93.14

As per our attached report of the even date

For **K. S. AIYAR & CO.**  
Chartered Accountants

**Satish Kelkar**  
Partner  
Membership No. 38934

Place : **Mumbai**  
Date : **April 27, 2016**

For and on behalf of the board of directors

**PALLAVI JHA**

**SANJAY JHA**

**SHRUTHI PATNI**

**Chairperson and Managing Director**

**Whole Time Director**

**Chief Financial Officer**

## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

### **1A General Information:**

Walchand PeopleFirst Limited (the 'company') is engaged in the business to impart training in soft skills like leaderships, communication, presentation, etc. The Company had acquired the franchise rights to offer, sell, teach and impart the training methods, techniques and programs developed by Dale Carnegie Training & Associates, U.S.A. to individual and employees of the corporate.

### **1 Significant accounting policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The Company has consistently applied the accounting policies which are consistent with those used in the previous year.

#### **1.2 Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### **1.3 Fixed Assets**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

#### **1.4 Depreciation**

Depreciation is computed using the Written Down Value Method ("WDV") as per the useful life of the asset as prescribed in part C of Schedule II of the Companies Act, 2013 leaving a residuary value of 5% of original cost of the asset.

#### **1.5 Impairment**

- (a) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- (b) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

#### **1.6 Intangible Assets**

Amount paid as franchisee rights and software is treated as an intangible asset and is amortized over a period of 5 years from the date of incurring such expenditure on pro-rata basis.

## 1.7 Revenue Recognition

### Training Income

- (a) In case of Open Programs, income is recognized at the commencement of the program.
- (b) In case of Corporate Programs, appropriate revenue is recognized when confirmed order is received and there is reasonable certainty of completion of the program.
- (c) In case of long-term course (i.e. courses more than 6 weeks duration), revenue is accrued over the period of the course.
- (d) With effect from 1st April 2015, the revenue recognition policy in case of Corporate programs has been revised. The revenue is now recognised only after the delivery of the program instead of on the basis of reasonable certainty of the completion as done earlier. As a result of this change, the income from operation is lower by Rs 57 Lacs for the year ended 31st March 2016.

### Other Income

- (e) Dividend Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.
- (f) Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## 1.8 Foreign Currency Transactions

### (a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### (b) Conversion

Foreign currency monetary items are reported using the closing exchange rate.

### (c) Exchange Differences

Exchange differences arising on the settlement or restatement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## 1.9 Investments

- (a) Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.
- (b) Current investments are carried at lower of cost and fair value determined on an individual investment basis.
- (c) Non current (Long-term) investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.
- (d) Carrying amount of an individual investment is determined on the basis of the average carrying amount of the total holding of the investment.

## 1.10 Retirement and other Employee Benefits

- (a) Contributions to Provident Fund and Superannuation scheme are defined contribution plans. The company's contribution paid/ payable toward these defined contributions plans are recognised as expenses in the Statement of Profit and Loss during the period to which the employee renders the related service. There are no other obligations other than the contributions payable to respective funds.
- (b) Company's liability towards gratuity is considered as a Defined Benefit Plan. The present value of the obligations towards Gratuity is determined based on actuarial valuation using the projected unit credit method. The obligation is measured at the present value of estimated future cash flows using a discount rate that is determined by reference to market yields on government securities at the balance sheet date, having maturity periods approximating to the terms of the related obligations.

- (c) Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

### **1.11 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### **1.12 Segment Reporting Policies**

The company has a single segment namely “ Training”. Therefore the company’s business does not fall under different business segments as defined by Accounting Standard -17.

### **1.13 Leases**

Leases where the lessor effectively retains substantially all risk and reward of ownership of the leasehold assets are classified as operating lease. Operating lease payments are recognized as an expense in the profit and loss account on straight-line basis over the lease term.

### **1.14 Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders & the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### **1.15 Taxes**

- (a) Tax expense comprises of current and deferred tax.
- (b) Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Tax rates and tax laws used to compute amount are those that are enacted or substantially enacted at the balance sheet date.
- (c)
  1. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.
  2. Deferred Tax liabilities are recognised for all timing differences.
  3. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
  4. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.
- (d) At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may

- be that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- (e) The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.
  - (f)
    1. Minimum Alternate Tax (MAT) paid in a year is charged to statement of Profit and loss as current tax.
    2. MAT credit is recognised, as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.
    3. In the year in which company recognises the Minimum Alternative tax (MAT) credit as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

#### **1.16 Provisions and Contingencies**

- (a) A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- (b) Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle obligation.
- (c) Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.
- (d) Contingent assets are not recognised.

#### **1.17 Cash and Cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investment with an original maturity of 3 months or less.

**1.18** Figures for previous year figures have been regrouped / rearranged wherever necessary to conform to the current years classification.

## NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

2 SHARE CAPITAL	Rs. in Lacs	
Particulars	As at March 31, 2016	As at March 31, 2015
<b>Authorised capital:</b>		
2,30,00,000 Equity Shares of Rs. 10/- each (Previous year - 2,30,00,000 Equity Shares of Rs. 10/- each )	2,300.00	2,300.00
2,00,000 Preference Shares of Rs. 100/- each ( Previous year - 2,00,000 Preference Shares of Rs. 100/- each )	200.00	200.00
<b>Total</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, Subscribed and paid up Capital:</b>		
<b>Equity Share capital</b>		
<b>29,03,890 Equity Shares of Rs. 10/- each, fully paid up</b>		
(Previous year- 29,03,890 Equity Shares of Rs.10/- each, fully paid up)	290.39	290.39

### 2.2 Of the above Equity shares :

(a) During 2011-12, 2,90,389 Equity shares of Rs 100 each were subdivided into 29,03,890 shares of Rs 10/ each.

### 2.3 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Equity shares Particulars	As at March 31, 2016		As at March 31, 2015	
	No of shares	Rs in Lacs	No of shares	Rs in Lacs
At the beginning of the period	2,903,890	290.39	2,903,890	290.39
Issued during the period	-	-	-	-
Outstanding at the end of the period	2,903,890	290.39	2,903,890	290.39

### 2.4 Terms and rights

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year the amount of dividend per share recommended by the Board of Directors to equity shareholders was Rs.1.25 (31st March 2015 - Re 1).

### 2.5 Holding company share holding details:-

**Out of the 29,03,890 Equity shares, 15,88,234 Equity Shares are held by the holding company.**

(Previous year out of 29,03,890 Equity shares, 15,20,486 Equity Shares are held by the holding company).

### 2.6 The details of the shareholder holding more than 5% shares as at MARCH 31, 2016 is set out below: -

Name of the shareholder	As at March 31, 2016		As at March 31, 2015	
	No of shares	% held	No of shares	% held
<b>Walchand &amp; Company Private Limited</b>	<b>1,588,234</b>	<b>54.69</b>	1,520,486	52.36

### 3 RESERVE AND SURPLUS

Rs. in Lacs

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Capital Redemption Reserve</b>	8.50	8.50
<b>Securities Premium Reserve</b>	230.95	230.95
<b>General Reserve</b>	91.74	91.74
<b>Surplus - Opening balance</b>	530.25	462.71
Add: Net profit after tax transferred from Statement of Profit and Loss	248.10	116.02
Less: Effect of Depreciation due to change in new Companies Act 2013 (Refer note-8)	-	13.53
<b>Amount available for appropriation</b>	778.35	565.20
Appropriations:-		
Final Dividend	36.30	29.04
Dividend tax	7.39	5.91
Amount transferred to general reserve	-	-
<b>Surplus - Closing balance</b>	734.66	530.25
<b>Total Reserve and Surplus</b>	1,065.85	861.44

The Board of Directors have recommended a final dividend of 12.50% in its Board meeting held on 27th April 2016 which is subject to shareholders' approval. The total amount of dividends proposed to be distributed to equity shareholders for the period April 2015 to March 2016 is Rs 36.30 Lacs.

### 4 OTHER LONG-TERM LIABILITIES

Rs. in Lacs

Particulars	As at March 31, 2016	As at March 31, 2015
Deposit received from tenant	30.00	30.00
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>	30.00	30.00

### 5 TRADE PAYABLES

Rs. in Lacs

Particulars	As at March 31, 2016	As at March 31, 2015
Dues of Micro, small and medium enterprises	-	-
Other creditors	70.12	60.11
<b>TOTAL TRADE PAYABLES</b>	70.12	60.11

#### Disclosures under Micro, Small and Medium Enterprises Act

Company has sent letters to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Act, 2006 as well as they have filed required memorandum with the prescribed authorities. This information is required to be disclosed under the Micro, Small and Medium enterprises development Act, 2006 and has been determined to the extent such parties have been identified on the basis of the information available with the company and have been relied upon by the auditors.

Rs. in Lacs

Particulars	As at March 31, 2016	As at March 31, 2015
Principal amount unpaid at the end of the year	-	-
Interest unpaid at the end of the year	-	-
<b>Balance of MSME parties</b>	-	-



## 6 OTHER CURRENT LIABILITIES

Rs. in Lacs

Particulars	As at March 31, 2016	As at March 31, 2015
Unpaid Dividends (There is no amount due and outstanding to be credited to Investor Education and Protection Fund)	4.46	4.26
Provision for expenses	236.90	198.21
Statutory dues	25.53	21.37
Other payables	37.17	28.00
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>304.06</b>	<b>251.83</b>

## 7 SHORT TERM PROVISIONS

Rs. in Lacs

Particulars	As at March 31, 2016	As at March 31, 2015
a) Provision for employee benefits	33.77	14.00
b) Gratuity Obligation	11.69	7.94
c) Others		
i) Proposed dividend	36.30	29.04
ii) Provision for tax on dividend	7.39	5.91
<b>TOTAL SHORT TERM PROVISIONS</b>	<b>89.15</b>	<b>56.89</b>

## 8. FIXED ASSETS :

Rs. in Lacs

ASSETS	ORIGINAL COST				DEPRECIATION/AMORTIZATION					NET BLOCK	
	As at April 1, 2015	Additions during the year	Deductions during the year	As at 31st March'2016	As at April 1, 2015	For the year	Related to Earlier Years(*)	Deductions during the year	As at 31st March'2016	As at 31st March'2016	As at March 31'2015
<b>Tangible Assets</b>											
Buildings	377.07	12.46	-	389.53	188.88	9.89	-	-	198.77	190.76	188.19
Plant and machinery	16.56	-	-	16.56	7.19	1.66	-	-	8.85	7.71	9.37
Furniture and fixtures	41.79	4.17	0.72	45.24	36.65	1.91	-	0.64	37.92	7.32	5.14
Data Processing and allied equipments	91.52	26.34	28.52	89.34	82.75	9.77	-	27.19	65.33	24.01	8.77
Office equipments	34.28	6.79	2.80	38.27	29.53	3.73	-	2.21	31.05	7.22	4.75
Electric instalations	8.72	-	-	8.72	6.86	0.53	-	-	7.39	1.33	1.86
Vehicles	46.33	-	-	46.33	32.11	5.11	-	-	37.22	9.11	14.22
<b>Total - A</b>	<b>616.27</b>	<b>49.76</b>	<b>32.04</b>	<b>633.99</b>	<b>383.97</b>	<b>32.60</b>	<b>-</b>	<b>30.04</b>	<b>386.53</b>	<b>247.46</b>	<b>232.30</b>
<b>Intangible Assets</b>											
Franchise fees	34.01	-	-	34.01	34.01	-	-	-	34.01	-	-
Software	25.42	0.13	-	25.55	12.75	4.14	-	-	16.89	8.66	12.67
<b>Total - B</b>	<b>59.43</b>	<b>0.13</b>	<b>-</b>	<b>59.56</b>	<b>46.76</b>	<b>4.14</b>	<b>-</b>	<b>-</b>	<b>50.90</b>	<b>8.66</b>	<b>12.67</b>
<b>TOTAL - A + B</b>	<b>675.70</b>	<b>49.89</b>	<b>32.04</b>	<b>693.55</b>	<b>430.73</b>	<b>36.74</b>	<b>-</b>	<b>30.04</b>	<b>437.43</b>	<b>256.12</b>	<b>244.97</b>
Previous Year	664.95	17.38	6.63	675.70	382.35	41.05	13.53	6.20	430.73	244.97	
<b>Capital Work in progress</b>										<b>0.91</b>	<b>-</b>
<b>Intangible Assets under development</b>										<b>15.38</b>	<b>-</b>

(\*) Where the useful life of the asset is Nil as on 1st April 2014, the carrying amount after retaining the residual value has been recognised in the opening balance of retained earnings.

## 8A LEASES PROVIDED

The Company has provided its certain premises through operating and cancellable lease arrangements. The disclosures of future lease rent receipts are as follows:

Particulars	Rs. in Lacs	
	As at March 31, 2016	As at March 31, 2015
Not later than one year	66.95	63.80
Later than one year and not later than five years	144.26	211.78
Later than five years	-	-

Details of assets given on operating lease under cancellable arrangements:-

Particulars	Rs. in Lacs	
	As at March 31, 2016	As at March 31, 2015
Gross carrying amount	2.80	2.80
Accumulated depreciation	2.34	2.29

Particulars	Rs. in Lacs	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Depreciation recognised in the statement of Profit and Loss account	0.05	0.06
Lease rent income during the year	63.80	55.32

## 8B LEASES TAKEN

The Company has taken certain premises through operating and cancellable lease arrangements.

The disclosures of future lease payments are as follows:

Particulars	Rs. in Lacs	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Not later than one year	39.19	43.35
Later than one year and not later than five years	76.08	50.63
Later than five years	-	-

b) The company has entered into operating lease arrangements for its office premises which are cancellable and renewable as per terms. The related rent expenses is **Rs 47.78 Lacs**. (Previous Year - Rs 44.91 Lacs).

## 9 INVESTMENT

PARTICULARS	Face Value	As at March 31, 2016		As at March 31, 2015	
		Quantity	Rs. in Lacs	Quantity	Rs. in Lacs
		<b>Non - Current Investments</b>			
<b>Unquoted Investments</b>					
<b>1) Investment in Equity shares</b>					
Bombay Mercantile Co-op Bank Ltd.	30	166	0.05	166	0.05
<b>Total- A</b>			0.05		0.05
<b>2) Investment in immovable property</b>					
Walchand Co-op. Housing Society Ltd.*	50	5	0.00	5	0.00
<b>TOTAL - B</b>			0.00		0.00
<b>3) Investment in others</b>					
Gold Coins - 120 Gm - 12 coins of 10 gm each					
(Previous year - 90 Gm - 9 coins of 10 gm each)		12	3.75	9	2.93
<b>TOTAL - C</b>			3.75		2.93
<b>TOTAL OF A to C</b>			3.80		2.98
<b>Less: Provision for investment</b>			0.05		0.05
<b>TOTAL OF A to C</b>			3.75		2.93

\* represents amount less than ₹ 1000

**10 DEFERRED TAXES****Rs. in Lacs**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Deferred Tax Liabilities</b>		
Difference in Book and Tax WDV of Fixed Assets	0.02	-
<b>Total - A</b>	<b>0.02</b>	<b>-</b>
<b>Deferred Tax Assets</b>		
Difference in Book and Tax WDV of Fixed Assets	-	8.63
Others	12.54	13.80
<b>Total - B</b>	<b>12.54</b>	<b>22.43</b>
<b>Net Deferred Tax Asset / (Liabilities) - (B - A)</b>	<b>12.52</b>	<b>22.43</b>

**11 LONG-TERM LOANS AND ADVANCES****Rs. in Lacs**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Security Deposits</b>		
<b>i) Unsecured, considered good</b>		
1. Electricity deposit	6.96	6.63
2. Rent deposit paid	25.98	22.71
3. Other deposits	14.92	14.92
<b>ii) Unsecured, considered doubtful</b>		
<b>Security Deposit</b>	2.24	2.24
Less: provision for doubtful debts	(2.24)	(2.24)
<b>iii) Other loans and advances</b>		
1. Income Taxes	573.39	545.84
2. MAT credit entitlement - asset	1.06	40.67
Less: Provision for taxation	(137.32)	(115.29)
<b>Total Long-Term Loans and Advances</b>	<b>484.99</b>	<b>515.48</b>

**12 TRADE RECEIVABLES****Rs. in Lacs**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>(I) Debts outstanding for a period exceeding six months</b>		
<b>Unsecured</b>		
(a) Considered good	13.07	8.57
(b) Considered Doubtful	15.69	9.57
Less: Provision for Doubtful Debts	(15.69)	(9.57)
<b>(II) Other Debts</b>		
<b>Unsecured</b>		
(a) Considered good	535.15	326.31
(b) Considered Doubtful	3.13	0.24
Less: Provision for Doubtful Debts	(3.13)	(0.24)
<b>Total Trade Receivables</b>	<b>548.22</b>	<b>334.88</b>

**13 CASH AND BANK BALANCES**

**Rs. in Lacs**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Cash and Cash Equivalents</b>		
Cash on hand	<b>0.85</b>	0.81
<b>Balances with banks</b>		
In current accounts	<b>21.68</b>	88.07
<b>Cheques in Hand</b>	-	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>22.53</b>	88.88
<b>Other Bank balances</b>		
In deposit accounts (maturity more than 3 months)	<b>422.36</b>	304.01
Balances with banks in unpaid dividend accounts	<b>4.46</b>	4.26
<b>TOTAL OTHER BANK BALANCE</b>	<b>426.82</b>	308.27
<b>Total Cash and Bank Balances</b>	<b>449.35</b>	397.15

**14 SHORT TERM LOANS AND ADVANCES**

**Rs. in Lacs**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>I) Unsecured, considered good</b>		
<b>1) Others loan and advances</b>		
a) Prepaid expenses	<b>18.33</b>	7.29
b) Advances to employees	<b>1.60</b>	2.34
c) Advances paid to vendors	<b>4.65</b>	1.70
d) Others	<b>20.00</b>	2.76
	<b>44.58</b>	14.09
<b>II) Unsecured, considered doubtful</b>		
<b>1) Others loan and advances</b>		
a) Advances to employees	<b>1.68</b>	2.41
Less: Provision for doubtful loans and advances to employees	<b>(1.68)</b>	(2.41)
<b>Total short term loans and advances</b>	<b>44.58</b>	14.09

**15 OTHER CURRENT ASSETS**

**Rs. in Lacs**

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Interest Accrued on Fixed Deposit	<b>22.16</b>	18.73
Advance given to Supplier	<b>11.59</b>	-
Other Current assets	<b>0.00</b>	-
<b>Total Other current assets</b>	<b>33.75</b>	18.73

**16 Revenue from Operations****Rs. in Lacs**

<b>Particulars</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
<b>Income from operation - Training services</b>	<b>2,274.95</b>	1,805.43

**17 OTHER INCOME****Rs. in Lacs**

<b>Particulars</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
Rent Income	<b>63.80</b>	55.32
Interest on Fixed Deposit	<b>34.86</b>	26.62
Provision / Creditors Written Back	<b>9.80</b>	5.78
Interest From Income Tax Refunds	<b>15.98</b>	16.22
Profit on Sale of Investment	-	0.00
Profit on Sale of Fixed Assets	-	0.08
Sundry Receipts	<b>15.17</b>	1.85
<b>Total other Income</b>	<b>139.61</b>	105.87

**EXPENSES****Rs. in Lacs**

<b>Particulars</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31, 2015</b>
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**18 Employee benefit expenses**

Salaries and bonus	<b>1,021.11</b>	913.27
Contribution to Provident fund, Gratuity and other funds	<b>33.62</b>	27.22
Staff welfare	<b>66.68</b>	40.85
<b>Total employee benefit expenses</b>	<b>1,121.41</b>	981.34

**19 Other Expenses**

Repairs to building	<b>9.06</b>	11.55
Repairs to plant and machinery	<b>4.56</b>	5.58
Insurance and Maintenance Expenses	<b>10.41</b>	6.04
Rates and taxes	<b>6.71</b>	10.40
Electricity charges	<b>19.95</b>	16.64
Telephone and Internet charges	<b>13.32</b>	13.14
Freight expenses	<b>19.53</b>	18.67
Directors Sitting Fees	<b>3.18</b>	3.15
Provision for Doubtful Debts	<b>17.98</b>	8.64
Fixed asset written off	<b>0.30</b>	0.10
Loss on sale of Fixed assets	<b>0.35</b>	-
Miscellaneous expenses	<b>59.22</b>	59.23
<b>Audit Fees</b>		
a) Statutory Fees	<b>2.40</b>	2.40
b) Tax Audit Fees	<b>0.55</b>	0.55
c) Limited Review fees	<b>1.50</b>	1.50
d) Expenses Reimbursement	<b>0.15</b>	0.14
<b>Total Other Expenses</b>	<b>169.17</b>	157.73

## 20 TAX EXPENSE

Rs. in Lacs

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Income taxes</b>		
Current Tax	80.32	35.00
MAT credit entitlement utilized	40.38	22.00
<b>Net Current tax Liability</b>	<b>120.70</b>	<b>57.00</b>
Earlier Income Tax	(2.81)	(1.94)
<b>Net Earlier tax Liability</b>	<b>(2.81)</b>	<b>(1.94)</b>
<b>Deferred Tax (assets) / Liability</b>	<b>9.92</b>	<b>(9.04)</b>
<b>Total Tax Liability</b>	<b>127.81</b>	<b>46.02</b>

## 21 RECONCILIATION OF BASIC AND DILUTED SHARES USED IN COMPUTING EARNING PER SHARE

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Number of shares considered as basic weighted average shares outstanding	2,903,890	2,903,890
Add: Effect of dilutive issues of shares/ stock options	-	-
<b>Number of shares considered as weighted average shares and potential shares outstanding</b>	<b>2,903,890</b>	<b>2,903,890</b>

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Profit available as per Profit and Loss account available to Equity shareholder (Rs in Lacs)	248.10	116.02
Face value per equity share (Rupees)	10.00	10.00
Weighted average number of equity shares for EPS computation (nos)	2,903,890	2,903,890
<b>Basic and Diluted earning per share (Rs)</b>	<b>8.54</b>	<b>4.00</b>

## 22 CONTINGENT LIABILITIES AND COMMITMENTS

Rs. in Lacs

Particulars	As at March 31, 2016	As at March 31, 2015
Income tax Demands for A.Y 10-11 to A.Y. 13-14 amounting to Rs 49.93 lacs (previous year Rs 178.70 lacs) has been disputed by the company before CIT (Appeals)/Income Tax Tribunal. The management doesn't expect any liability crystallizing in these cases.	49.93	178.70
Against the demand of property taxes raised by Municipal Corporation of Greater Mumbai (BMC) for the period 1st April 2000 to 31st March 2016, Company succeeded in its appeal in the court of Small Causes. BMC filed an appeal against the order of Court of Small Causes which is pending in Bombay High Court. Subsequently BMC changed the method of computation of property taxes from Financial Year 2010-11 onwards to "Capital based system" and raised new bills amounting to Rs 134.83 Lacs for the period and has also taken further action. The company has challenged the same and has filed a writ petition in the Bombay High Court and has obtained interim stay in its favour. Based on the legal advice the Management believes that the outcome of this proceeding will be in companies favor and will not adversely impact the company's financial position.	279.91	276.88

Particulars	As at March 31, 2016	As at March 31, 2015
The company has disputed increased lease rent amounting to Rs 128.13 lacs (Previous year Rs 119.98 lacs) till the end of the year demanded by Bombay Port Trust Authorities and has filed a case in City Civil Court, Mumbai which is pending for decision. The company has been legally advised that it has good case on merit and is hopeful that the demand will not sustain.	128.13	119.98

### 23 ACTIVITY IN FOREIGN CURRENCY

Particulars	Rs. in Lacs	
	As at March 31, 2016	As at March 31, 2015
<b>Earnings in foreign currency</b>		
Income from training services	14.73	15.60
Others	4.07	0.34
<b>Expenditure in foreign currency</b>		
Royalty remitted	186.16	149.07
Others	8.51	6.91

### 24 RELATED PARTY DISCLOSURES:-

#### A Description of Companies:

##### Name of the Related Party

Walchand & Company. Pvt. Ltd.  
Walchand Netsoft Pvt Ltd  
Walchand Diamond Jubilee Trust

##### Nature of Relationship

Holding Company  
Controlled Company  
Directors as Trustee

#### B Key Management Personnel:

##### Name of the Related Party

Mrs. Pallavi Jha  
Mr. Sanjay Jha  
Ms Shruthi Patni

##### Nature of Relationship

Chairperson & Managing Director  
Whole Time Director  
Chief Financial Officer

#### C Relative of Key Management Personnel:

##### Name of the Related Party

Mrs. Kamalini Bahubali  
Ms. Maithili Jha  
Ms. Anuja Joshi

##### Nature of Relationship

Mother of Chairperson & Managing Director  
Daughter of Chairperson & Managing Director  
Sister of Chairperson & Managing Director

**Rs. in Laacs**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>A. Transaction with companies</b>		
(i) Interest on unsecured loan	-	2.72
(ii) Dividend paid		
Walchand & Company Private Limited	15.44	-
Walchand Diamond Jubilee Trust	1.50	-
(iii) Income from property		
Walchand & Company Private Limited	0.51	0.51
(iv) Repayment of Unsecured loan		
Walchand & Company Private Limited	-	60.00
<b>B. Transactions with Key Management Personnel</b>		
(i) Remuneration paid		
Managing Director's Remuneration	95.23	87.62
Whole time Directors Remuneration	96.17	82.64
Chief Financial Officer Remuneration	31.89	30.03
<b>C. Transactions with relatives of Key Management Personnel</b>		
(i) Remuneration paid		
Ms. Maithili Jha	6.67	3.31
(ii) Dividend paid		
Mrs. Kamalini Bahubali	0.05	-
Ms. Anuja Joshi	0.02	-
Chairperson and Managing Director	0.02	-

**Managerial remuneration**

**Rs. in Laacs**

Particulars	As at March 31, 2016	As at March 31, 2015
<b>Chairperson and Managing Director</b>		
Salary	40.10	35.64
Performance Pay	23.39	23.76
Contribution to Provident Fund	4.81	4.28
Contribution to Superannuation Fund	6.01	5.35
Gratuity	1.93	1.71
Perquisites	18.99	16.88
<b>Total</b>	<b>95.23</b>	<b>87.62</b>
<b>Whole- Time Director</b>		
Salary	38.42	34.16
Performance Pay	28.82	22.77
Contribution to Provident Fund	4.61	4.10
Contribution to Superannuation Fund	5.76	5.12
Gratuity	1.85	1.64
Perquisites	16.71	14.85
<b>Total</b>	<b>96.17</b>	<b>82.64</b>

During the year ended 31st March 2016 the Board of Directors recommended a final dividend of Rs.1.25 (PY Re 1) per equity share. This includes dividend on equity shares held by the holding company. For details of shares held by the holding company, please refer note no 2.5



**25 Employee benefit disclosure**

The Company has classified various employee benefits as under:

**(i) Defined Contribution plans**

The amounts recognized as expense :-

<b>Particulars</b>	<b>Rs. in Lacs</b>	
	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Contribution to Provident Fund and Construction Employees Provident Fund	<b>30.64</b>	<b>24.41</b>
Contribution to Superannuation Fund	<b>11.78</b>	<b>10.47</b>

**(ii) Defined Benefit plan – Gratuity:**

The following table summarizes the components of expense related to defined benefit plan recognized in the Profit and Loss account, the funded status and amounts recognized in the Balance Sheet for the plan.

**Rs. in Laacs**

Particulars	As at	As at
	March 31, 2016	March 31, 2015
<b>A) Change in defined benefit obligation</b>		
Opening defined benefit obligation	49.10	40.66
Current service cost	7.07	5.76
Interest cost	3.94	3.79
Actuarial (gain)/ Losses on Obligation	(1.63)	4.44
Benefits paid	(3.30)	(5.55)
Additional provision	-	-
<b>Closing defined benefit obligation</b>	<b>55.19</b>	<b>49.10</b>
<b>B) Change in fair value of assets</b>		
Opening fair value of plan assets	41.15	41.49
Expected return on plan assets	3.30	3.61
Actuarial gain/(losses) on plan assets	(2.17)	1.60
Contributions by employer	4.50	0.00
Benefits paid	(3.30)	(5.55)
<b>Closing fair value of plan assets</b>	<b>43.50</b>	<b>41.15</b>
<b>C) Expenses recognised</b>		
Current service cost	7.07	5.76
Interest on Defined Benefit Obligation	0.64	0.18
Expected return on plan assets	-	-
Net Actuarial (gain) /Losses recognized	0.53	2.83
<b>Total expense recognized</b>	<b>8.25</b>	<b>8.77</b>
<b>D) Amount recognised in Balance sheet</b>		
Present value of Funded obligations	55.19	49.10
Fair value of plan assets	43.50	41.15
<b>Net Liability/ (Asset)</b>	<b>11.69</b>	<b>7.95</b>
<b>E) Actuarial assumptions</b>		
Discount Rate (p.a)	8.23%	8.03%
Expected rate of return on assets (p.a)	8.23%	8.03%
Salary Escalation rate (p.a)	4.00%	4.00%
<b>F) Experience Adjustments:</b>		
Experience adjustment on plan liability- (Gains) / Losses	(0.80)	(37.49)
Experience adjustment on plan assets- Gains / (Losses)	(2.17)	1.60

As per our attached report of the even date

For **K. S. AIYAR & CO.**  
Chartered Accountants

**Satish Kelkar**  
Partner  
Membership No. 38934

Place : Mumbai  
Date : April 27, 2016

**For and on behalf of the board of directors**

**PALLAVI JHA**

**SANJAY JHA**

**SHRUTHI PATNI**

**Chairperson and Managing Director**

**Whole Time Director**

**Chief Financial Officer**



**WALCHAND PEOPLEFIRST LIMITED**

**Registered Office :** 1, Construction House, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.  
**ATTENDANCE SLIP**

Registered Folio / DP ID & Client ID

Name

Address of Shareholder

No. of Shares held

I/We hereby record my/our presence at 96<sup>th</sup> Annual General Meeting of the Company at the Kilachand Conference Room, Indian Merchants Chamber, IMC Marg, Churchgate, Mumbai - 400020 on Thursday 28<sup>th</sup> July, 2016.

Signature of Shareholder / Proxy Present .....

**Note: 1.**

- 1. You are requested to sign and hand this over at the entrance.
- 2. If you are attending the meeting in person or by proxy please bring copy of notice and annual report for reference at the meeting.

---  CUT HERE ---

**Form No. MGT 11  
Proxy form**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]*

**CIN:** L65993MH1920PLC000791

Name of the Company: WALCHAND PEOPLEFIRST LIMITED

Registered office: Construction House, 5 Walchand Hirachand Marg, Ballard Estate, Mumbai- 400001

Name of the Member (s) : Registered address:E-mail Id :Folio No/Client ID:DP ID:

I/We being the member (s) of ..... shares of the above named Company, hereby appoint

Sr. No.	Name	Address	E-mail Id	Signature
1				
2				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 96<sup>th</sup> Annual General Meeting of the Company, to be held on the Thursday 28<sup>th</sup> July, 2016 at Kilachand Conference Room, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai-400020 at 03:00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below :

**Resolution No.**

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....
- 6.....

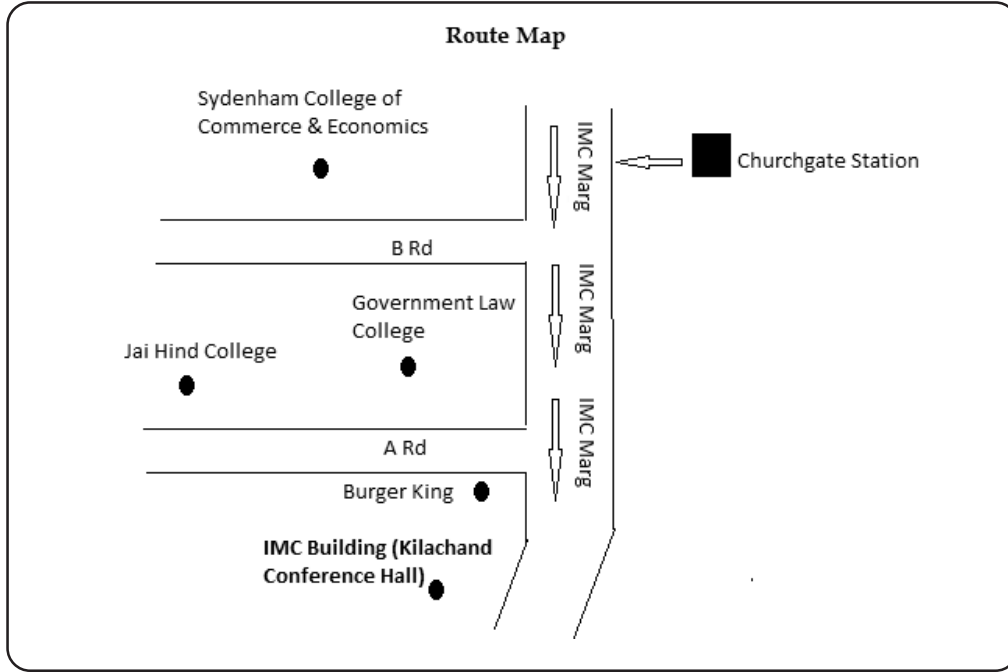
Signed this ..... day of ..... 20 ....

Signature of shareholder .....

Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**



**WALCHAND PEOPLEFIRST LIMITED**

Registered office : 1, Construction House, 5, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.