
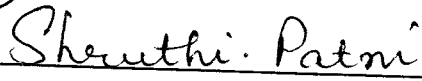
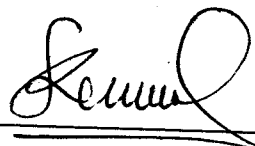
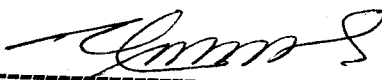


FORM A

Covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	Walchand PeopleFirst Limited
2.	Annual Financial Statements for the year	31 st March, 2013
3.	Type of Audit Observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	To be signed by <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the Company• Audit Committee Chairman	   

93rd ANNUAL REPORT
2012 - 2013



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

Dr. S.C. JHA

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

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INFORMATION FOR SHAREHOLDERS

93rd ANNUAL GENERAL MEETING

DATE : TUESDAY, JULY 30, 2013
TIME : 3:00 P.M.
VENUE : WALCHAND HIRACHAND HALL,
INDIAN MERCHANTS' CHAMBERS,
IMC MARG, CHURCHGATE,
MUMBAI - 400 020.
DATE OF BOOK : JULY 23, 2013 To JULY 30, 2013
CLOSURE (BOTH DAYS INCLUSIVE)

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CORPORATE GOVERNANCE REPORT	11
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BALANCE SHEET	25
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CASH FLOW STATEMENT	45
ATTENDANCE SLIP AND FORM OF PROXY	

NOTICE

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE NINETY-THIRD ANNUAL GENERAL MEETING OF WALCHAND PEOPLEFIRST LIMITED WILL BE HELD AT WALCHAND HIRACHAND HALL, INDIAN MERCHANTS' CHAMBER, IMC MARG, CHURCHGATE, MUMBAI – 400 020 ON TUESDAY, JULY 30, 2013 AT 03:00 P.M. TO TRANSACT THE FOLLOWING BUSINESS:-

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, Profit and Loss Account for the Financial Year ended on that date and the Reports of the Auditor's and the Directors' thereon;
2. To appoint a Director in place of Mr. Madhukar Bhagwat, who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint a Director in place of Dr. Satish Jha, who retires by rotation and being eligible, offers himself for re-appointment;
4. To declare Final dividend on Equity Shares for the year ended March 31, 2013;
5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, being retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold the office from the conclusion of this ensuing Annual General Meeting until conclusion of the next Annual General Meeting, on such remuneration as may be determined by the Chairperson in consultation with the Auditors, in addition to reimbursement of service tax and all out of pocket expenses in connection with the audit of the Accounts of the Company, which remuneration may be paid on existing terms to be agreed between the Auditors and the Chairperson.”

By order of the Board

**Pallavi Jha
Chairperson & Managing Director**

Place : Mumbai

Date : May 13, 2013

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. Under the Companies Act, 1956, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000/-. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

2. Members/Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
3. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company will remain closed from July 23, 2013 to July 30, 2013 (both days inclusive) for the purpose of Annual General Meeting and for payment of dividend, if declared at the Annual General Meeting.
6. Members holding shares in physical form and desirous of making/changing nomination in respect of their shareholding in the Company, may send their request in the prescribed Form 2B to the Registrar & Transfer Agents of the Company.
7. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Meeting.
8. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write atleast one week before the meeting so that the same could be compiled in advance.
9. Members are requested to notify changes, if any, in their registered addresses along with the pin code to the Company's Registrar and Share Transfer Agent.
10. Members are requested to bring their copy of Annual Report to the Meeting.
11. All documents referred to in the notice are open for inspection at the registered office of the Company between 10:30 A.M. to 1:00 P.M. on all working days up to the date of the Meeting.
12. Subject to the provisions of Section 206A of the Companies Act, 1956 dividend as recommended by the Board of Directors, if declared at the meeting, will be payable on or after July 30, 2013, to those Shareholders whose names stand on the Company's Register of Members on July 23, 2013 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 July 23, 2013 as per data to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
13. (a) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited, under the signature of the Sole/First joint holder, the following information to be incorporated on dividend warrants:
 - (i) Name of the Sole/First joint holder and the Folio Number;
 - (ii) Particulars of Bank Account, viz.:
Name of the Bank
Name of the Branch
Complete address of the Bank with Pin Code Number,
Account type, whether savings Account (SA) or Current Account (CA)

Bank Account Number.

- (b) Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic form. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
- (c) To avoid loss of dividend warrants in transit and undue delay in respect of receipt of dividend warrants, the Company has provided a facility to the Members for remittance of dividend through the Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the cities and towns. Members holding shares in physical form and desirous of availing this facility are requested to contact the Company's Registrar and Share Transfer Agents, M/s. Computech Sharecap Limited.
14. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of savings bank account to their respective Depository Participants.
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: 22635001-2, Fax No.: 22635005, Email : 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	August 31, 2006	Final Dividend 2005-06	September 30, 2013
2	July 27, 2007	Final Dividend 2006-07	August 26, 2014
3	September 30, 2008	Final Dividend 2007-08	October 29, 2015
4	July 26, 2012	Final Dividend 2011-2012	August 25, 2019

It may be noted that no claim of the shareholders will be entertained for the unclaimed dividend which has been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the provisions of Section 205(B) of the Companies Act, 1956. In view of the above, those Shareholders who have not encashed their

dividend warrants are advised to send all the unclaimed dividend warrants to the Registrar & Share Transfer Agents or to the Registered Office of the Company for revalidation and encash them before the due date for transfer to the Central Government.

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, 2013 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
NIL	NIL	NIL	NIL	NIL

19. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and 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. Information under clause 49 of the listing agreement relating to directors retiring by rotation and seeking re-appointment is given at **Annexure 1**.

By order of the Board,

**Pallavi Jha
Chairperson & Managing Director**

**Place : Mumbai
Date : May 13, 2013**

INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

Mr. Madhukar Bhagwat:

Mr. Bhagwat did his Bachelor's Degree in Mechanical & Electricals engineering from the University of Pune, M.S. (Mechanical Engineering) from University of Illinois, USA and Diploma in Business Management from the prestigious Bajaj Institute of Management Studies, Mumbai.

He worked in various senior positions both in India and abroad, which includes Blue Star, Yokogawa Blue Star, Total Mechanical Systems Inc., USA, Skidmore, Owings & Merrill, Chicago, USA and Managing Director of Tata Honeywell Limited. He is Chairman of the Audit Committee of Walchand PeopleFirst Ltd, formerly, Walchand Capital Ltd.

Current positions:

1. Member, Executive Committee, TQMS, a Division of Tata Sons Ltd.
2. Chairman of the Board, Honeywell Automation India Ltd.
3. Chairman of the Board, Kennametal India Ltd.
4. Chairman of the Audit Committee, Kennametal India Ltd.

Disclosure Pursuant to Clause 49 (IV) (E) (V) of the Listing Agreement: Shareholding of Mr. Madhukar Bhagwat

(both own or held by / for other persons on a beneficial basis) as on May 13, 2013 is Nil.

Dr. Satish Jha:

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

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

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

Disclosure Pursuant to Clause 49 (IV) (E) (V) of the Listing Agreement: Shareholding of Dr. Satish Jha (both own or held by / for other persons on a beneficial basis) as on May 13, 2013 is Nil.

DIRECTORS' REPORT

The Members of
WALCHAND PEOPLEFIRST LIMITED

Your Directors are pleased to present herewith the 93rd Annual Report on the business and operations of your Company and Audited Accounts for the Financial Year ended March 31, 2013 together with the Audited Statement of Accounts and Auditor's Report thereon.

1. **FINANCIAL RESULTS:**

	(Rs. in Lacs)	
	Financial Year ended 31.03.2013	Financial Year ended 31.03.2012
Profit before interest, depreciation and taxation	323.62	391.84
Less: Interest	21.15	27.59
Less: Depreciation/Amortisation	52.97	74.70
Less: Provision for Taxation - Current / earlier years	64.84	98.10
Less: Deferred Tax recognized	8.20	(34.85)
Net Profit	176.46	226.30
Add: Balance brought forward	275.17	82.62
Amount available for appropriation	451.63	308.92
Proposed Final Dividend	29.04	29.04
Dividend Tax	4.94	4.71
Balance carried to Balance Sheet	417.65	275.17

2. **DIVIDEND:**

The Board of Directors recommends 10% final dividend for the Financial Year ended March 31, 2013.

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

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

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

(INR in Lacs)

(a) EXPENDITURE IN FOREIGN CURRENCY	Financial Year ended 31.03.2013	Financial Year ended 31.03.2012
Royalty Remitted	147.34	126.96
Others	11.82	13.71
(b) EARNING IN FOREIGN CURRENCY		
Professional Fees	34.29	16.98
Others	1.25	2.47

4. **MANAGEMENT DISCUSSION AND ANALYSIS:**

Industry Structure and Analysis

During the year 2012-13, Indian economic growth seemed

to have bottomed in the final 3 months of 2012 but edged up in the last quarter of fiscal 2013 with an upside in industrial production and some recovery in exports taking the GDP growth to 5.6%. Recovery was seen gradual in the Indian economy with monetary policy turning pro-growth and private consumption strengthening with some help from government spending. Weak demand for Indian goods and services abroad have been a major contributor to the slowdown. Towards the end of 2012, the government has announced some long due reforms including the opening up of the Retail and Aviation sectors to overseas investors. These reforms brought back investor confidence giving boost to greater portfolio inflows. However, concerns remain around keeping the current account deficit under control as government spending is expected to rise in the current fiscal as this will be an Election year.

Good jobs and labor reforms are a must for economic growth. More people will look for jobs because of the demographic dividend and also shift away from agriculture. It is predicted that by the year 2025 approximately 25% of the global workforce will comprise of Indians, a clear manifestation of the fact that India has a burgeoning talent pool, unparalleled in the history of humankind. As a country, India has registered the second highest GDP growth in the world after China in the last decade averaging about 8% per annum. India is also a remarkably young nation where a staggering 65% of our 1.2 billion population are below 30 years of age. Paradoxically enough, despite high demand for skilled labor and a huge quantitative supply, the corporate sector and industry complain that there is a shortage of appropriate talent, and rampant unemployment pervades. What precisely plagues the Indian economy that could almost derail the big "India story" which is expected to be along with USA and China as the triumvirate G3 of the future? The answer lies in "employable skills"; yes, the engineer may have academic qualifications but is he capable of delivering on the job? This is where Dale Carnegie Training India has come up with a unique offering to make it a win-win for both the potential employers and aspirational students and job-seekers at all levels.

Opportunities and Challenges

In 2013 we complete ten years of our Dale Carnegie Training operations in India. Over this decade we have had many achievements. About 150000 individuals in both corporate and educational sectors have been trained by us. More than 2500 companies are our clients and we have covered nearly 700 colleges across India. We have conducted training in 8 languages in 150 towns and cities of the country. With this successful track record in the last decade your Company has established its market leadership in the corporate sector. Going forward, we have identified two streams of growth for the business: 1) support the corporate sector needs in managing attrition due to talent shortage as well as their succession planning and leadership development which is a

major vacuum today through strong professional development and engagement initiatives and 2) engage with government and education sector for the huge need for skilling and employability training of graduating students to support the growing trends in recruitment and talent acquisition for companies,

In the corporate sector, three key trends are seen in the learning and development area; Leadership Development, Succession Planning and Employee Engagement. According to a survey by SHRM India, the most effective Learning and Development practices for leaders are coaching by external practitioners and external conferences, workshops and events. Further two-fifths of the companies surveyed in India reported involvement of external consultants right from the responsibility of determining Learning and Development needs to final delivery and measurement. This fact may reflect a shortage of expert Learning and Development people or the sheer scale of learning and talent development effort in a growing economy. This is the gap that your Company addresses with its talented team of experts, body of knowledge and experience.

Indian organizations have already made significant strides in integrating ICT – based learning and talent development as evidenced by widespread adoption of such technologies. Organizations across all areas seem to be switching to less costly development practices. During 2012-13, Dale Carnegie Training India launched its digital training services. This aims to provide Live Online training using a web-based Learning System that helps conduct interactive real-time sessions to people logged in through their desktops without moving from their home or offices. This allows a group of people geographically distanced from each other to log on to a live training program conducted by a certified Dale Carnegie trainer. With companies having widespread locations in India and globally we see this as an important method to provide quality and consistent training to their employees that enables our customers to not only save costs of time and travel but also provides them the convenience of not moving out of their own environment without compromising on the learning. Trends are showing that Live Online training is growing in demand much faster than self-paced e-learning due to its improved learning effectiveness.

The most commonly anticipated major change affecting corporate Learning and Development over the next two years is a greater integration between coaching, organizational development and performance management. There will also be a greater emphasis in measurement of having effectiveness. With our unique training methodology based on time-phased learning, in the moment coaching and practice, the effectiveness of our training is easily measurable. We have been able to achieve 98% customer satisfaction and are reputed for quality training. Besides, our training delivery we also provide value-added consulting in the area of organizational development, talent and performance management. Our partnership with PerformanSe SAS for psychometric assessments gives us an edge in these services.

There is also growing interest towards the use of social media to deliver learning, training and development focused on delivery methods such as “bite sized” learning and using smartphone apps, and so on. Dale Carnegie Training India is actively present and hosts growing and engaged communities on social networks like Facebook, Twitter and LinkedIn. Similarly Dale Carnegie mobile apps across major operating systems are available in the areas of Human Relations, Leadership Development, Sales Effectiveness, etc.

In the area of Employability training, we are seeking to expand our partnerships with educational institutions and other skills providers. While we will continue our activities in student development, we will build a stronger focus on faculty training. Another important factor is the sheer shortage of trainers to meet the vast demand for vocational training of students in India. Apart from quantity the most acute deficiencies lie in the areas of curriculum development, methodology and quality of training. It will be our endeavor to address this challenge through trainer capacity building and provide both content and trainer training to our partners.

Outlook, Risks & Control:

India’s economic growth is expected to remain subdued this year and any recovery will be gradual as government spending and interest rate cuts from the RBI revive domestic demand. GDP is predicted to increase to above 6% in the current fiscal to March 2014, after it grew at a decade low of 5.6% in the last fiscal.

We see that industry will continue to hire and expect their L&D budgets to be maintained. With strong client relationships already in place we expect to build long term partnerships. Further your Company has invested for growth and developed strong systems for internal efficiencies. We predict moderate business growth and have a positive outlook for both short and medium term.

Cautionary Statement:

The statements made in this report describe the Company’s objectives, expectations and projections that may be forward looking statements. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company and Management.

Internal Control Systems and their Adequacy:

The Company has adequate and effective control systems, commensurate with its size and nature of business, to ensure that assets are efficiently used and the interest of the Company is safeguarded and the transactions are authorized, recorded and reported correctly. Checks and balances are in place to determine the accuracy and reliability of accounting data. The preventive control systems provide for well-documented policy, guidelines, and authorization and approval procedures. The Company has a full-fledged Internal Audit System to ensure that the policies and procedures laid down are adhered to. The Company has also developed a Risk Assessment policy and is reviewed by the Board of Directors/ Audit committee on a quarterly basis.

Financial Performance:

Total income achieved during the year under review is Rs. 1839.27 lakhs as against Rs. 1973.34 lakhs in the previous year. Income from operations for the Company has been Rs. 1718.00 lakhs against Rs. 1643.42 lakhs in the previous year, showing an increase of 5%. Notably, the income from Training business has increased by 23% for the year ended 31st March 2013, as compared to last year. For the year ended 31st March 2012, income from operations included fixed income from training centres amounting to Rs. 252 lakhs. After providing for taxation of Rs. 64.84 lakhs and deferred tax asset of Rs. (8.20) lakhs, the results of the Company show a net profit of Rs. 176.46 lakhs as against the profit after tax of Rs.226.30 lakhs in the previous year. For the year ended 31st March 2012, other income includes interest received on income tax refunds amounting to Rs. 236 lakhs. Operating Profit (Income from operations less direct expenses) of the Company for the current year is Rs. 488.58 lakhs as compared to Rs. 311.21 lakhs in the previous year, denoting a healthy growth of 57%.

Human Resources:

Your Company considers its intellectual capital as its most valuable asset. Personnel policies of your Company are designed to ensure fairness to and growth of all individuals in the organization and continuously strives to provide a challenging work environment. The Company has developed a competency-based framework for growth with formalized career paths in the organization. This provides a highly competent and aspirational career environment to all our employees. The company has a comprehensive compensation and benefits plan for all its employees. The Company also provides a strong learning culture with an average eight days of training per year for each employee. We have a strong Performance Management System and code of conduct which reinforces our work ethics.

5. PARTICULARS OF EMPLOYEES:

The provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended vide Notification no. G.S.R 289 (E) dated March 31, 2011 require the disclosure of the names and particulars of the employees who are receipt of remuneration for the financial year under review which, in the aggregate, was not less than Rs. 60,00,000/- per annum or who was in receipt of remuneration for any part of the financial year under review, at a rate which, in the aggregate, was not less than Rs. 5,00,000/-per month. The disclosure under the said Section is not given as there are no such employees.

6. INVESTMENTS:

During the Financial Year under report, the outstanding position in the investment of shares and debentures of various companies were to the tune of Rs. 69.04 lacs as compared to the last Financial Year's investment of Rs. 111.16 lacs. The market value of the quoted investments was Rs. 7.00 lacs (previous year Rs. 13.51 lacs).

7. FIXED DEPOSIT:

The Company has not accepted any deposits from public under the Provisions of Section 58A of the Companies Act, 1956 and rules framed thereunder during the Financial Year ended March 31, 2013. Accordingly, as at March 31, 2013, there is no outstanding liability to fixed depositors.

8. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

- i) that in the preparation of the Annual Accounts for the financial yearended March 31, 2013, the applicable accountingstandards have been followed along with proper explanationrelating to material departures, if any;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fairview of the state of affairs of the Company at the end of the financial year ended March 31, 2013 and of the Profit of theCompany for the said year;
- iii) that the Directors have taken proper and sufficient care for themaintenance of adequate accounting records in accordance withthe provisions of the Companies Act,1956, for safeguarding theassets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the Annual Accounts for the year ended March 31, 2013 on a going concern basis.

9. DIRECTORS:

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 Mr. Madhukar Bhagwat and Dr. Satish Jha will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

10. STATUTORY AUDITORS:

You are requested to appoint Auditors for the current year and fix their remuneration. The Auditors of the Company, M/s. K.S. Aiyar & Co., Chartered Accountants retire at ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The Company has also received a certificate from them under section 224(1B) of the Companies Act, 1956.

11. COMPLIANCE CERTIFICATE:

As per Section 383A of the Companies Act, 1956 read with Notification No. G.S.R. 11 (E), Dated 5-1-2010 issued by the Ministry of Corporate Affairs, a Company having the paid up Share Capital of Rs. 10 Lacs or more but less than Rs. 5 Crores must obtain a Compliance Certificate from a Company Secretary in whole time practice and such Certificate must be annexed to the Report. A Compliance

Certificate obtained from M/s. Pramod S. Shah & Associates – Practising Company Secretaries is annexed as a part of the Directors’ Report.

12. CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a Compliance Report on Corporate Governance together with the Certificate from M/s. Pramod S. Shah & Associates - Practising Company Secretaries is annexed as a part of the Annual Report.

13. COST AUDIT:

The Company is not required to undertake the cost audit as required under Section 233 B of the Companies Act, 1956.

14. ACKNOWLEDGMENT:

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and

co-operation received from all the shareholders, customers, suppliers, bankers, Government authorities and all other business associates and their confidence in the management. Your Directors also wish to place on record their appreciation for the contribution made by the employees.

For and on behalf of the Board of Directors

**PALLAVI JHA
CHAIRPERSON & MANAGING DIRECTOR**

Date: May 13, 2013

Place: Mumbai

Registered Office:

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

Compliance Certificate

[U/s 383A of the Companies Act, 1956 & Rule 3 of the Companies (Compliance Certificate) Rules, 2001]
To,
The Members
WALCHAND PEOPLEFIRST LIMITED

Nominal Capital: Rs. 250,000,000 /-
Registration No. 11- 000791
(31/03/2013)

I have examined the registers, records, books and papers of **Walchand PeopleFirst Limited** (the Company) as required to be maintained under the Companies Act 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2013**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as required under the Act and the rules made thereunder.
3. The Company, being a public limited Company, comments are not required.
4. The Board of Directors duly met 4 times on **18/05/2012, 26/07/2012, 05/11/2012 and 28/01/2013** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including circular resolution passed in the minutes books maintained for the purpose.
5. The Company closed its Register of Members from July 19, 2012 to July 26, 2012 (both days inclusive) and necessary compliance of Section 154 of the Act has been made.
6. The Annual General meeting for the year ended on **31/03/2012** was held on **26/07/2012** after giving due notice to the members of the Company and other concerned and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. **No** extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or Firms or Companies referred to under Section 295 of the Companies Act, 1956.
9. The Company has not entered into contracts specified under Section 297 of the Act during the financial year.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13.
 - i. The Company has delivered all the Certificates on lodgment thereof for transfer/ transmission in accordance with the provisions of the Act during the financial year. There was no allotment of Securities during the financial year;
 - ii. The Company has deposited the amount of dividend declared in a separate bank account on July 30, 2012 which is within five days from the date of declaration of such dividend;
 - iii. The Company has paid/ posted warrants for dividends to all the members within a period of thirty days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to unpaid Dividend Account of the Company with Union Bank of India on 25th August, 2012.
 - iv. The Company was required to transfer unpaid or unclaimed dividend amount to Investor Education & Protection Fund during the financial year which have remained unpaid or unclaimed for a period of seven years. The Company has deposited the said amount on 05th May, 2013 to the Investor Education & Protection Fund;
 - v. The Company has duly-complied with the requirements of Section 217 of the Act regarding Boards' report.
14. The Board of Directors of the Company is duly constituted and there was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/ Whole-time Director/ Manager during the financial year.

16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such Authorities as prescribed under the various provisions of the Act was required during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares during the financial year. The Company has not issued any Debentures.
22. There were no transactions, necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has neither raised nor accepted any deposits from Public during the financial year.
24. The amount borrowed by the Company from Directors, members, public, financial institution, banks and others during the financial year ended 31st March, 2013 are within the borrowing limits of the Company as laid down in Section of 293 (1) (d) of the Act.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment imposed on the Company during the year, for offences under the Act.
32. The Company has not received any money as security from its employees during the year.
33. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Act.

For Pramod S. Shah & Associates
Practising Company Secretaries

Place: Mumbai
Date: May 13, 2013

Pramod S. Shah
Partner
C.P. No. 3804

Annexure A

The Company has been maintaining the statutory records such as:

- 1) Minutes Book (Board Meeting),
- 2) Minutes Book (Audit Committee),
- 3) Minutes Book (Remuneration Committee),
- 4) Minutes Book (Shareholders' Grievance Committee),
- 5) Minutes Book (Investment Committee)
- 6) Minutes Book (AGM & EGM),
- 7) Register of Members,
- 8) Register of Directors,
- 9) Register of Director's shareholding,
- 10) Register of Assets,
- 11) Register of Investments,
- 12) Register of Charges,
- 13) Register of Contracts.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on **31st March, 2013**:

Sr. No.	Form No./Return	Filed u/s	For	Filed on	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1.	e-Form 23AC&ACAXBRL	220	31/03/2012	01/12/2012	Yes	N.A.
2.	e-Form 20B - Annual Return	159	31/03/2012	07/09/2012	Yes	N.A.
3.	e-Form 66 - Compliance Certificate	383A	31/03/2012	07/08/2012	Yes	N.A.
4.	e-Form 23B	224(1A)	Information by Auditor to Registrar of his appointment for the year 2012-2013	14/08/2012	Yes	N.A.
5.	e-Form 17	138 & 600	Satisfaction of Charge	14/01/2013	Yes	N.A.
6.	e-Form 8	135	Modification of Charge	07/08/2012	Yes	N.A.
7.	e-Form 8	135	Modification of Charge	07/08/2012	Yes	N.A.
8.	e-Form 5 INV	Pursuant to rule 3 of the Investor Education and Protection Fund Rules, 2012	Statement of unclaimed and unpaid amounts for the Financial Year ended 31/03/2011	31/07/2012	Yes	N.A.
9.	e-Form 5 INV	Pursuant to rule 3 of the Investor Education and Protection Fund Rules, 2012	Statement of unclaimed and unpaid amounts for the Financial Year ended 31/03/2012	05/10/2012	Yes	N.A.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2012-13

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

The Directors present the Company's report on Corporate Governance for the financial year ended March 31, 2013.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Walchand's philosophy is to adhere to the values of good governance on a consistent basis aimed at creation of long term sustainable value for all its stakeholders, be it internal or external, while meeting its relevant obligations.

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.

Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Our Corporate Governance philosophy is based on the following principles;

1. 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.
2. Provide an enabling environment to harmonise the goals of maximizing stakeholder value and maintaining a customer centric focus.
3. Have a simple and transparent corporate structure driven solely by business needs.
4. Communicate externally, in a truthful manner, about how the Company is running internally.
5. Make clear distinction between personal conveniences and corporate resources.
6. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
7. Satisfy the spirit of the law and not just the letter of the law.

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company 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:

a. Size and Composition of Board

The composition and category of Directors as on March 31, 2013 is as under:-

Name of Directors	Category	No. of Directorships in other Companies		No. of Membership/Chairmanship of other Board Committees	
		Public	Private	Member	Chairman
Ms. Pallavi Jha	Chairperson and Managing Director	-	2	-	-
Mr. Sanjay Jha	Whole Time Director	-	2	-	-
Mr. M. N. Bhagwat	Independent Non-Executive	3	-	-	-
Dr. S.C. Jha	Independent Non- Executive	2	1	-	-
Mr. V. K. Verma	Independent Non- Executive	-	-	-	-
*Dr. Vijay N. Gupchup	Independent Non- Executive	4	2	-	-
**Mr. Rajeev Dubey	Independent Non- Executive	7	3	1	-

*Dr. Vijay N. Gupchup – Re-appointed as an Independent Non-executive Director of the Company at the Annual General Meeting of the Company held on July 26, 2012 under Section 256 of the Companies Act, 1956.

** Mr. Rajeev Dubey – Re-appointed as an Independent Non-executive Director of the Company at the Annual General Meeting of the Company held on July 26, 2012 under Section 256 of the Companies Act, 1956.

b. Attendance at Board Meeting and Annual General Meeting :-

During the accounting year 2012 - 13, 4 Board Meetings were held on May 18, 2012, July 26, 2012, November 05, 2012 and January 28, 2013.

The Annual General Meeting of the Company for the financial year 2011 - 12 was held on July 26, 2012.

Attendance at Board Meeting and last Annual General Meeting:-

Name of Directors	No. of Board Meetings attended	Attendance at last AGM
Ms. Pallavi Jha	4	Present
Mr. Sanjay Jha	4	Present
Mr. M.N. Bhagwat	4	Present
Dr. S.C. Jha	3	Absent
Mr. V.K.Verma	4	Present
Dr. V.N. Gupchup	4	Present
Mr. Rajeev Dubey	3	Present

c. 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 Managers who can provide additional insights into the items being discussed.

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

- Unaudited Quarterly/Half Yearly financial results and Audited Annual Accounts of the Company, results and capital employed, for consideration and approval,
- Minutes of Meetings of Audit Committee and Share Holders Grievance Committee,
- Abstracts of circular resolutions passed,
- General notices of interest,
- Sale and/or purchase of investments, fixed assets,
- Review compliance of all laws applicable to the Company including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the Company to rectify instances of non compliances, if any,
- Related party transactions,
- Reviewing the Company's Financial and Risk Management policies,
- 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, 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 are circulated through email to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit Committee and Shareholders' Grievance Committee are also circulated through email to all Directors and thereafter tabled for discussion at the subsequent Board Meeting.

3. AUDIT COMMITTEE:

Audit committee acts as a link between the Statutory and 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.

a. Size and Composition:-

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

The composition of the Audit Committee as on March 31, 2013 is as under:-

1. Mr. M.N. Bhagwat, Non-Executive Independent Director as Chairman;
2. Mr. V.K. Verma, Non-Executive Independent Director as Member;
3. Mr. Sanjay Jha, Whole-Time Director as Member;
4. Dr. S. C. Jha, Non-Executive Independent Director as Member;
5. Dr. Vijay N. Gupchup, Non-Executive Independent Director was appointed as a Member of the Committee with effect from May 18, 2012.

The Members of the Committee are well versed in finance / accounts, legal matters and general business practices.

b. Attendance at the Audit Committee Meetings:-

During the accounting year 2012 - 13, 4 Audit Committee Meetings were held on May 18, 2012, July 26, 2012, November 05, 2012 and January 28, 2013.

Name of Members	No. of Audit Committee Meetings attended
Mr. M.N. Bhagwat	4
Mr. V.K.Verma	4
Mr. Sanjay Jha	4
Dr. S.C. Jha	3
Dr. Vijay N. Gupchup	3

c. The functions of the Audit Committee include the following:-

- Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending the appointment and removal of external Auditor, fixation of Audit fee and also approval for payment for any other expenses.
- Reviewing with Management the Annual/Half-yearly/Quarterly financial statements before submission to the Board.
- Reviewing with the Management, external and internal Auditors, and the adequacy of the internal control systems.
- Reviewing the adequacy of Internal Audit function, including reporting structure coverage and frequency of Internal Audit.
- Discussion with External Auditors before the Audit, nature and scope of Audit, any significant findings and follow up thereon as well as post-Audit discussion to ascertain any area of concern.
- Reviewing the findings of any internal investigations by 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.
- To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non payment of declared dividends) and creditors.
- Related party transactions,
- To review the matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
- To review the Management discussion and analysis of financial condition and results of operations.
- Such other functions as may be specified by the Board of Directors of the Company from time to time.

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 Members and confirmed at the subsequent Meeting.

4. 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.

a. Size and Composition:-

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

The composition of the Remuneration Committee as on March 31, 2013 is as under:-

1. Mr. V. K. Verma, Non- Executive Independent Director was appointed as a Chairman of the Remuneration Committee with effect from May 18, 2012;
2. Mr. M.N.Bhagwat, Non-executive Independent Director as Member;
3. Mr. Rajeev Dubey, Non- Executive Independent Director was appointed as a Member of the Remuneration Committee with effect from May 18, 2012.

The broad terms of the Committee are to determine and review remuneration/compensation package of Managing Director and Whole Time Director of the Company.

b. Attendance at the Remuneration Committee Meetings:-

During the accounting year 2012 – 2013, no Remuneration Committee Meeting was held.

c. Disclosure of Remuneration paid :-

At present Non-executive and Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings.

Details of remuneration paid to Directors during the accounting year ended March 31, 2013 are as under:

Name Of Directors	Salary and Commission (Amt in Lacs)	Contribution to P.F. Gratuity and Superannuation Fund (Amt in Lacs)	Perquisites (Amt in Lacs)	Sitting Fees (Amt in Lacs)	Total (Amt in Lacs)
Ms. Pallavi Jha	39.60	8.40	11.00	-	59.00
Mr. Sanjay Jha	37.95	8.05	11.00	-	57.00
Mr. M.N. Bhagwat	-	-	-	0.70	0.70
Dr. S. C. Jha	-	-	-	0.60	0.60
Mr. V.K.Verma	-	-	-	0.70	0.70
Dr. V.N.Gupchup	-	-	-	0.70	0.70
Mr. Rajeev Dubey	-	-	-	0.30	0.30

Note: - Except Ms. Pallavi Jha who is Chairperson and Managing Director and Mr. Sanjay Jha who is Whole Time Director, all the other Directors are Non-Executive Directors.

5. 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 reconstituted Shareholders Grievance Committee in July 2001 to specifically look into the redressal of the

shareholder's grievances and also the share transfers and other investor related matters.

The composition of the Shareholders Grievance Committee as on March 31, 2013 is as under:-

1. Mr. V. K. Verma, a Non-Executive Director as the Chairman;
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 Shareholders' grievance committee Meetings:-

During the accounting year 2012 - 13, Twenty Shareholder Grievance Committee Meetings were held on 02/04/2012, 17/04/2012, 02/05/2012, 17/05/2012, 01/06/2012, 15/06/2012, 01/09/2012, 17/09/2012, 01/10/2012, 13/10/2012, 27/10/2012, 03/11/2012, 01/12/2012, 08/12/2012, 15/12/2012, 28/01/2013, 02/02/2013, 09/02/2013, 23/02/2013, 09/03/2013.

c. The functions of the Shareholders' Grievance Committee include the following:-

- Transfer /Transmission of shares,
- Issue of duplicate share certificates,
- Review of shares dematerialized and all other related matters,
- Monitors expeditious redressal of investors' grievances,
- Non receipt of Annual report and declared dividend,
- 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 Complaints	No. of complaints
Non Receipt of Annual Reports	1
Non Receipt of Dividend Warrants	1
Non Receipt of Shares lodged for Transfer/Exchange	0
Non Receipt of Certificates	1
Others (Duplicate/Transmission/Procedure etc.)	0
TOTAL	1

*All the complaints pertaining to Non Receipt of Annual Reports, Dividend Warrants and Certificate were received from one single shareholder in one letter.

All valid share transfers received during the accounting year ended March 31, 2013 have been acted upon. There were no share transfers pending as on March 31, 2013, for more than 30 days.

The Shareholders' Grievance Committee continued to function effectively and held Twenty Meetings during the year under review. It continued to attend the matters related to Share Transfers and Transmission. This Committee has three Members, namely, Ms. Pallavi Jha, Chairperson & Managing Director, Mr. Sanjay Jha, Whole Time Director and Mr. V. K. Verma, Independent Non-Executive Director. Mr. Vivek Wadhavkar is designated as Compliance Officer. Ms. Pallavi Jha, Chairperson & Managing Director, Mr. Sanjay Jha, Whole time Director and Mr. V. K. Verma, Independent Non-Executive Director were present in all Twenty Meetings held during the year.

6. GENERAL BODY MEETINGS:

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

Financial Year	Day and Date	Location	Time
2009 - 2010	Monday, August 30, 2010	Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020	11:30 A.M.
2010 - 2011	Thursday, July 28, 2011	Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020	3:00 P.M.
2011 - 2012	Thursday, July 26, 2012	Killachand Conference Hall Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai 400 020	3:00 P.M.

b. Whether any Special Resolutions were passed in the previous three AGM's?

Yes.

1. At the Annual General Meeting of the Company held on July 28, 2011 a special resolution was passed superseding the special resolution passed in the Annual General Meeting of the Company held on August 30, 2010 to re – appoint and revise the terms of Ms. Pallavi Jha as the Managing Director of the Company for a period of three years with effect from April 01, 2011 and appointment and revision in terms of Mr. Sanjay Jha as the Whole Time Director of the Company for a period of 3 years with effect from April 01, 2011 subject to the approval of the Central Government.
2. The Company in the Annual General Meeting of the Company held on July 28, 2011 passed a Special Resolution for the sub – division of the Share Capital of the Company including the Paid up Capital of the Company from 1 Equity Share of INR 100/- each to INR 10/- each and hence the Authorised Share Capital of the Company changed to INR 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,30,00,000 (Two Crore Thirty Lacs) Equity shares of INR 10/- (Rupees Ten Only) each and 2,00,000 (Two Lacs) Preference Shares of INR 100/- (Rupees Hundred Only) each.

7. DISCLOSURES:

- The related party transaction as per Accounting Standard 18 is set out at note no. 29 in notes forming part of accounts in the Annual Report. These transactions are not likely to have any conflict with the Company's interest except as stated in para 12 of Annexure to Auditors Report.
- The Company has complied with the requirements of the Stock Exchange (BSE), the Securities and Exchange Board of India (SEBI) and Statutory Authorities on all matters related to capital markets and no penalties / strictures were imposed on the Company during the last three years.
- During the year the following amounts were transferred to the Investor Education and protection fund :-

Particulars	Date of transfer	Amount (Rs.)
Matured Deposits	NIL	NIL
Interest on Matured Deposits	NIL	NIL
Matured Deposits	NIL	NIL
Interest on Matured Deposits	NIL	NIL
Matured Deposits	NIL	NIL
Unpaid Dividend	NIL	NIL

- Adoption of non mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

8. 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.

9. CEO/CFO CERTIFICATION:

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results before the Board in terms of Clause 41 of the Listing Agreement.

10. TRADING IN THE COMPANY'S SHARES BY DIRECTORS AND DESIGNATED EMPLOYEES:

In compliance with the SEBI (Prevention of Insider Trading) Regulations, 1992, our Company has appointed Mr. Vivek Wadhavkar as the Compliance Officer who 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 Company has adopted a Code of Conduct for Prevention of Insider Trading.

11. MEANS OF COMMUNICATION:

- The Quarterly and Half-Yearly results of the Company are published in English and Marathi National dailies. The Financial results are also displayed on the website of the Company www.walchandpeoplefirst.com
- The Management Discussion and Analysis Report forms a 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.

12. DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AS REQUIRED UNDER CLAUSE 49 IV G (i) OF THE LISTING AGREEMENT:-

In accordance with the provisions of Section 256 of the Companies Act, 1956, one-third of the total number of Directors for the time being are liable to retire by rotation, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from the office. Accordingly two Directors of the Company viz. Mr. Madhukar Bhagwat and Dr. Satish Chandra Jha will be retiring by rotation at the ensuing Annual General Meeting of the Company. Mr. Madhukar Bhagwat and Dr. Satish Chandra Jha, being eligible, offer themselves for re-appointment.

Mr. Madhukar Bhagwat:

Mr. Bhagwat did his Bachelor's Degree in Mechanical & Electricals engineering from the University of Pune, M.S. (Mechanical Engineering) from University of Illinois, USA and Diploma in Business Management from the prestigious Bajaj Institute of Management Studies, Mumbai.

He worked in various senior positions both in India and abroad, which includes Blue Star, Yokogawa Blue Star, Total Mechanical Systems Inc., USA, Skidmore, Owings & Merrill, Chicago, USA and Managing Director of Tata Honeywell Limited. He is Chairman of the Audit Committee of Walchand PeopleFirst Ltd, formerly, Walchand Capital Ltd.

Current positions:

1. Member, Executive Committee, TQMS, a Division of Tata Sons Ltd.
2. Chairman of the Board, Honeywell Automation India Ltd.
3. Chairman of the Board, Kennametal India Ltd.
4. Chairman of the Audit Committee, Kennametal India Ltd.

Dr. Satish Jha:

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

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

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

13. GENERAL SHAREHOLDER INFORMATION:

a. Annual General Meeting

- Date : July 30, 2013.
- Time : 03:00 P.M.
- Venue : Walchand Hirachand Hall,
Indian Merchants' Chamber,
IMC Marg, Churchgate, Mumbai – 400 020

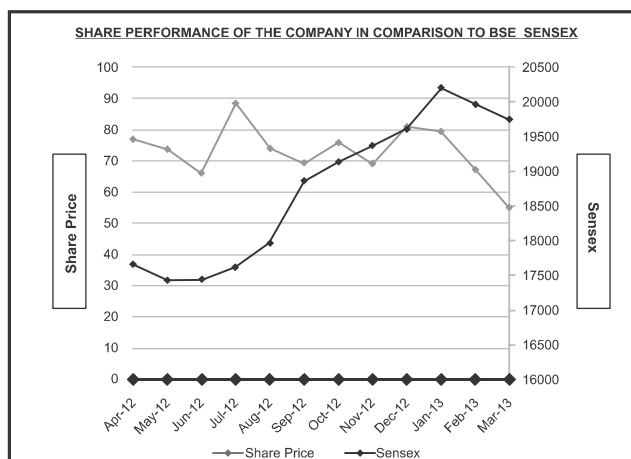
b. Financial Calendar :

- Financial Reporting for
 - Quarter ending June 30, 2013 By 15th August, 2013
 - Quarter/Half year ending Sept. 30, 2013 By 15th November, 2013
 - Quarter ending December 31, 2013 By 15th February, 2014
 - Quarter/Year ending March 31, 2014 By 30th May, 2014.
- Date of Book Closure : July 23, 2013, to July 30, 2013 (both days inclusive).

c. Market information

- Listing on Stock Exchange : The Bombay Stock Exchange Limited
- Listing fee for the year 2012-13 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 2012-13 on The Bombay Stock
Exchange Limited and BSE Sensex are as under:

SHARE PRICES OF WALCHAND PEOPLEFIRST LIMITED								BSE SENSEX		
Months	Open Price	High Price	Low Price	Close Price	No.of Shares	No. of Trades	Total Turnover	High Price	Low Price	Close Price
Apr-12	75.85	77.10	60.05	64.55	15,410	461	10,64,263	17,664.10	17,010.16	17,318.81
May-12	65.50	73.80	56.00	60.00	18,942	552	11,89,678	17,432.33	15,809.71	16,218.53
Jun-12	61.00	66.20	56.85	63.10	11,484	334	7,17,168	17,448.48	15,748.98	17,429.98
Jul-12	61.35	88.50	61.15	63.25	1,41,692	2,811	1,11,74,294	17,631.19	16,598.48	17,236.18
Aug-12	64.00	74.00	60.05	62.00	19,472	623	12,96,289	17,972.54	17,026.97	17,429.56
Sep-12	61.10	69.50	58.55	64.40	28,063	791	18,23,882	18,869.94	17,250.80	18,762.74
Oct-12	69.00	75.80	61.25	63.05	17,330	407	11,57,400	19,137.29	18,393.42	18,505.38
Nov-12	62.25	69.30	58.05	63.05	16,310	429	10,23,186	19,372.70	18,255.69	19,339.90
Dec-12	69.85	81.00	60.00	65.10	90,907	1,643	63,10,296	19,612.18	19,149.03	19,426.71
Jan-13	65.00	79.45	59.50	62.25	45,526	887	31,71,037	20,203.66	19,508.93	19,894.98
Feb-13	62.15	67.40	49.00	54.40	20,595	561	11,68,467	19,966.69	18,793.97	18,861.54
Mar-13	52.00	55.20	39.00	42.25	23,125	480	10,83,216	19,754.66	18,568.43	18,835.77



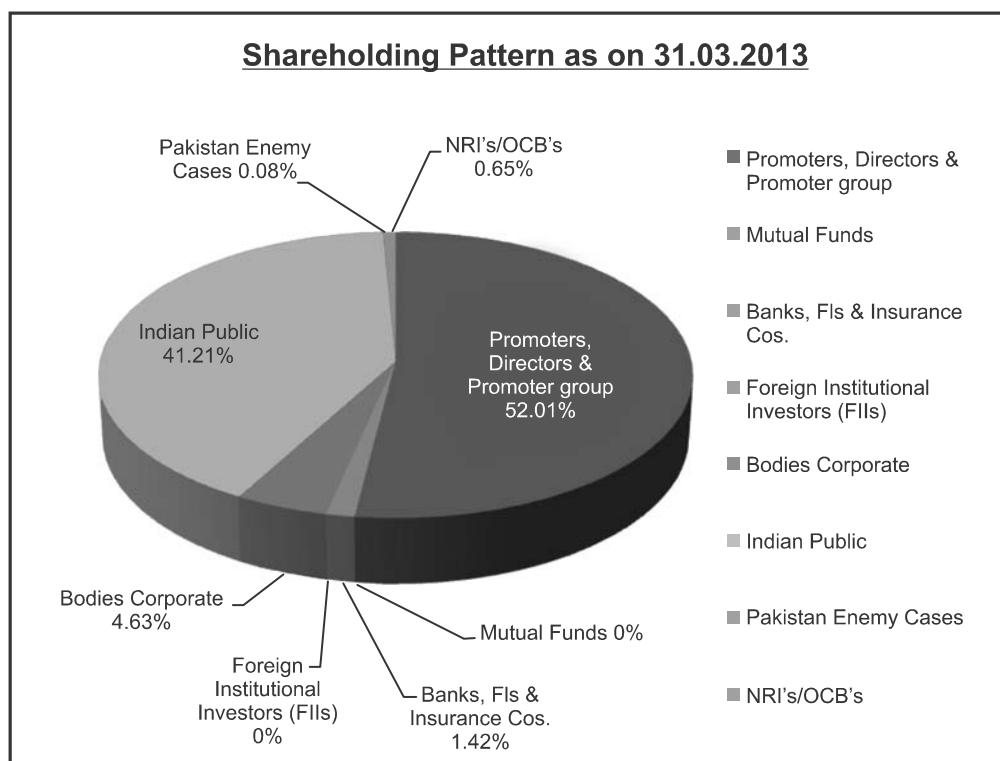
d. Share Transfer System and other related matters:

- 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: 22635001-2
Fax No.: 22635005
Email: helpdesk@computechsharecap.com
- Share Transfer System : The shares lodged for transfer are processed by the Registrar and Share Transfer Agent and are approved by Shareholders’ Grievance Committee. Shares sent for transfer in physical form are registered and returned within a maximum period of 30 days for the half year ended 30th September, 2012 and within a period of 15 days for the half year ended 31st March, 2013 from the date of receipt, subject to documents being valid and complete in all respects. Similarly all requests for demat are received and processed by the Registrar and 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, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and 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 Section 205A of the Companies Act, 1956, 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: 22635001-5002, Fax No.: 22635005, Email:helpdesk@computechsharecap.com
- Distribution of Share holding as on March 31, 2013:

NO. OF EQUITY SHARES HELD	NO. OF SHARE -HOLDERS	% OF SHARE-HOLDERS	NO. OF SHARES HELD	% OF SHARE HOLDING
1 - 50	4366	56.69%	126416	4.35%
51 - 100	1467	19.05%	130851	4.51%
101 - 200	844	10.96%	132510	4.56%
201 - 300	382	4.96%	99007	3.41%
301 - 400	150	1.95%	53586	1.85%
401 - 500	139	1.80%	67061	2.31%
501 - 1000	203	2.64%	152526	5.25%
1001 AND ABOVE	151	1.96%	2141933	73.76%
TOTAL	7702	100.00%	2903890	100.00%

Shareholding Pattern as on 31.03.2013

Category	No. of shares held	Percentage to total (%)
a. Promoters, Directors & Promoter group	1510186	52.01
b. Mutual Funds	NIL	0.00
c. Banks, FIs & Insurance Cos.	41310	1.42
d. Foreign Institutional Investors (FIIs)	NIL	0.00
e. Bodies Corporate	134483	4.63
f. Indian Public	1196713	41.21
g. Pakistan Enemy Cases	2250	0.08
h. NRI's & OBC's	18948	0.65
Total	2903890	100.00



- Dematerialization of Shares : The shares of the Company can be held and traded in electronic form 83.89% (24,36210 no. of shares) of the Company's share holdings have been dematerialised as on 31.03.2013.
- Outstanding GDRs/ ADRs / Warrants or any convertible Instrument, conversion date and likely impact on equity : Nil
- Plant Location : Not Applicable.
- Address for Correspondence : WALCHAND PEOPLEFIRST LIMITED
1, Construction House
5, Walchand Hirachand Marg,
Ballard Estate, Mumbai - 400 001
Tel: 022 - 67818181
Fax: 22610574
Email:vivek@walchandgroup.com
www.walchandpeoplefirst.com

CERTIFICATE ON CORPORATE GOVERNANCE

Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To,
The Members
Walchand PeopleFirst Limited

I have examined the compliance of conditions of Corporate Governance by Walchand PeopleFirst Limited for the year ended March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For Pramod S. Shah & Associates
Practising Company Secretaries

Place: Mumbai
Date: May 13, 2013

Pramod S. Shah
Partner
C.P. No. 3804

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March 2013.

For WALCHAND PEOPLEFIRST LIMITED

Pallavi Jha
Chairperson & Managing Director

Place: Mumbai
Date: May 13, 2013

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

We, Pallavi Jha, Chairperson & Managing Director and Shruthi Patni, Vice President - Finance and Accounts, of WALCHAND PEOPLEFIRST LIMITED, to the best of our knowledge and belief, certify that:

1. We have reviewed the audited balance sheet and profit and loss account and notes on accounts, as well as the cash flow statements and the directors' report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the financial statements and other financial information included in this report, fairly present in all material respects, the financial condition, results of the operations and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. The Company's other certifying officers and we, are responsible for establishing and maintaining disclosure controls and procedures for the Company, and we have :
 - a. designed such disclosure controls and procedures to ensure that material information relating to the Company, is made known to us by others within those entities particularly during the period during which this report is being prepared; and
 - b. evaluated the effectiveness of the Company's disclosure, controls and procedures.
6. The Company's other certifying officers and we, have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the Audit Committee of the Company's Board of Directors (and persons performing equivalent functions):
 - a. all significant deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's auditors, any material weakness in internal controls;
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls;
 - c. the Company's other certifying officers and we, have indicated in this report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weakness; and
 - d. all significant changes in the accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.

7. In the event of any materially significant misstatements or omissions, the signing officers will return to the Company that part of any bonus or incentive or equity –based compensation, which was inflated on account of such errors, as decided by the Audit Committee;
8. We affirm that we have not denied any personnel access to the Audit Committee of the Company;
9. We further declare that all Board members and senior managerial personnel have affirmed compliance with the code of conduct for the current year.

Place: Mumbai
Date: May 13, 2013

Pallavi Jha
Chairperson & Managing Director

Shruthi Patni
Vice President - Finance and Accounts

AUDITORS' 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, 2013, the statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall

presentation of the financial statements.

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

Opinion

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

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the 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, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
 - e) on the basis of the written representations received from the directors, as on March 31, 2013, and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on March 31, 2013 from being appointed as a director, in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) Since the Central Government has not issued any

notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

Satish K. Kelkar
Partner

Place: Mumbai
Date: 13th May, 2013

Membership No. 38934

ANNEXURE TO THE AUDITORS' 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, 2013 of **Walchand Peoplefirst Limited.**)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) A substantial portion of 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) As per the information and explanation given to us on our enquiries the disposals of assets during the year were not substantial so as to have an impact on the operations of the company, or affect its going concern.
- (ii) The Company does not have any inventory. Accordingly, clause 4 (ii)(a), (b) & (c) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable.
- (iii)(a) The Company has not granted any loan secured or unsecured from parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub clauses (a),(b),(c) and (d) of clause 4(iii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable.
- (b) The Company has not taken /repaid additional unsecured loan during the year from a party covered in the register maintained under Section 301 of the Companies Act, 1956. Maximum amount outstanding during the year was Rs. 60,00,000/- and year end outstanding balance is Rs. 60,00,000/-.
- (c) The rate of interest and other terms and conditions of loan taken by the Company are not prima facie prejudicial to the interest of the Company.
- (d) According to the information and explanations given to us, there is no stipulation with regard for the repayment of loans.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) Based upon the audit procedures performed and according to the information and explanations given to us, there are no contracts or arrangements during the year that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) of Companies Audit Report (Order) 2003 as amended by (Amendment) Order 2004 is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the provisions of section 58A and 58AA of the Companies Act, 1956 and the rules made thereunder is applicable. No order has been passed by the Company Law Board, National Law Tribunal or Reserve Bank of India or any other court or any other tribunal.
- (vii) The Company has an internal audit system commensurate with the nature and size of the business.
- (viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
- (ix)(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 31st March 2013, 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 the statute	Nature of the dues	Amount (Rs.In Lacs)	Period to which the amount relates	Forum where disputes pending
Income Tax Act, 1961	Income Tax	16.24 60.65	2008-09 2009-10	ITAT CIT (A)
Municipal Corporation of Great Mumbai (BMC)	Property Tax	145.66	2000-01 to 2012-13	Bombay High Court
Mumbai Port Trust	Municipal Dues	103.23	1 st Jan.'99 to 31 st March' 13	City Civil Court

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by our audit.
- (xi) In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution, banks. The Company does not have any outstanding debentures.
- (xii) Based on our examination of documents and records and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for

- loans taken by others from bank or financial institutions.
- (xvi) The term loan raised has been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) Company has not made any allotment during the year. Hence, clause (xviii) of the Companies (Auditor's Report) (Amendment) Order, 2004 relating to preferential allotment of shares to parties under section 301 is not applicable.
- (xix) The Company has not issued any debentures during the financial year and therefore the question of creating security in respect thereof does not arise.
- (xx) The Company has not raised money by public issues during the year.
Therefore the provisions of clause 4(xx) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable.
- (xxi) Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Place : Mumbai
Date : 13th May, 2013**

**Satish K. Kelkar
Partner
Membership No. 38934**

BALANCE SHEET AS AT MARCH 31, 2013

	Note No.	As at March 31, 2013	Rs. in Lacs As at March 31, 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	290.39	290.39
(b) Reserves and Surplus	3	748.84	606.36
		1,039.23	896.75
(2) Non-current liabilities			
(a) Long Term Borrowings	4	65.26	76.97
(b) Other long-term liabilities	5	55.92	-
(c) Long term provisions	6	4.47	10.68
		125.65	87.65
(3) Current liabilities			
(a) Short Term Borrowings	7	61.40	48.86
(b) Trade payables	8	56.77	41.91
(c) Other current liabilities	9	213.53	341.76
(d) Short term provisions	10	47.72	46.58
		379.42	479.11
	TOTAL	1,544.30	1,463.51
II. ASSETS			
(1) Non current assets			
(a) Fixed assets			
(i) Tangible assets		317.73	400.03
(ii) Intangible assets		5.75	9.78
(iii) Capital work in progress		8.70	-
		332.18	409.81
(b) Non-current investments	14	69.05	111.16
(c) Deferred tax assets (net)	15	9.59	17.78
(d) Long-term loans and advances	16	437.13	395.19
		847.95	933.94
(2) Current Assets			
(a) Trade receivables	17	348.55	212.18
(b) Cash and bank balances	18	318.36	285.09
(c) Short term loans and advances	19	29.23	10.36
(d) Other current assets	20	0.21	21.94
		696.35	529.57
	TOTAL	1,544.30	1,463.51

SIGNIFICANT ACCOUNTING POLICIES

Notes on accounts form an integral part of financial statements.

	For and on behalf of the board of directors	
As per our attached report of the even date		
For K. S. AIYAR & CO.	PALLAVI JHA	Chairperson and Managing Director
Chartered Accountants	SANJAY JHA	Whole Time Director
Satish Kelkar	SHRUTHI PATNI	Vice President - Finance and Accounts
Partner		
Membership No. 38934		

Place : Mumbai
Date : 13th May, 2013

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2013

PARTICULARS	Note No.	For the Year Ended March 31, 2013	Rs. in Lacs For the Year Ended March 31, 2012
Revenue			
Revenue from Operations	21	1,718.00	1,643.42
Other income	22	<u>121.27</u>	<u>329.92</u>
Total Revenue		<u>1,839.27</u>	<u>1,973.34</u>
Expenses			
Employee benefit expenses	23	832.11	769.99
Training centre expenses		-	197.34
Royalty and related expenses		221.21	178.26
Training expenses		92.24	100.45
Travel, lodging and conveyance expenses		83.86	86.17
Rent and maintenance expense		46.64	33.97
Marketing expenses		31.08	25.78
Legal , Professional and Recruitment expenses		27.26	24.37
Finance Cost		21.15	27.59
Depreciation and amortisation expenses		52.97	74.70
Other Expenses	24	<u>181.25</u>	<u>165.17</u>
Total Expenses		<u>1,589.77</u>	<u>1,683.79</u>
PROFIT BEFORE TAX		249.50	289.55
Tax Expenses			
Current Tax	25	62.17	60.04
Income tax earlier years		2.67	38.06
Deferred tax		8.20	(34.85)
PROFIT FOR THE YEAR		<u>176.46</u>	<u>226.30</u>
EARNING PER EQUITY SHARE			
Equity shares of par value Rs. 10/- each	26		
Basic and Diluted		6.08	7.79

SIGNIFICANT ACCOUNTING POLICIES

1

Notes on accounts form an integral part of financial statements.

For and on behalf of the board of directors

As per our attached report of the even date
For **K. S. AIYAR & CO.**
Chartered Accountants

PALLAVI JHA

Chairperson and Managing Director

SANJAY JHA

Whole Time Director

Satish Kelkar
Partner

SHRUTHI PATNI

Vice President - Finance and Accounts

Membership No. 38934

Place : Mumbai
Date : 13th May , 2013

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

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 notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The Company has consistently applied the accountings policies and are consistent with those used in the previous year. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current 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 provided using the written down value as per the rates prescribed under schedule XIV of the Companies Act, 1956. Fixed assets costing individually upto Rs. 5,000 are depreciated fully in the year of purchase.

<u>Rates of Depreciation</u> <u>Assets</u>	Schedule XIV rates (WDV)
Buildings	5%
Plant and Machinery	13.91%
Furniture and Fixtures	18.10%
Data Processing and Allied Equipments	40.00% 53.00% *
Office Equipments	13.91% 15.00% *
Electric Installations	13.91% 15.00% *
Vehicles	25.89%

* Based on the remaining useful lives of the certain assets purchased during the year, depreciation is charged at a higher rate than the rate prescribed under the Schedule XIV.

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

- (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) Dividend Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.
- (e) 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 rate.
- (c) **Exchange Differences**
Exchange differences arising on the settlement 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) Retirement benefits in the form of Provident Fund and Superannuation Fund are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- (b) Gratuity liabilities are defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year. The company makes contribution to the Employees' Group –cum-life

Assurance scheme of the L.I.C. India.

- (c) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

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

- (a) **Identification of segments:**

The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

- (b) **Allocation of common costs :**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

- (c) **Unallocated items :**

Includes general corporate income and expense items that are not allocated to any business segment.

- (d) **Segment Policies:**

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

1.13 Leases

Leases where the lesser 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).

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.
- (c) 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. 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. Deferred tax assets are recognised 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.

- (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) 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. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized 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 profit and loss account 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 liabilities are disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.
- (c) 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.

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

Previous year's figures have been regrouped/ recast wherever found necessary to conform to the current period presentation.

2.1 SHARE CAPITAL

Particulars	As at March 31, 2013	Rs. in Lacs As at March 31, 2012
Authorised capital:		
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
Total	2,500.00	2,500.00
Subscribed, issued and paid up Capital:		
Equity Share capital		
29,03,890 Equity Shares of Rs. 10/- each, fully paid up (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) 11,666 Shares were issued in 1961 by converting 35,000 Promoters' Shares of Rs. 3.75 each (Rs. 1,31,250) into 11,666 Shares of Rs.11.25 each and by utilising Rs. 2,18,730 from Capital Reserves for issue of 11,666 Shares of Rs. 18.74936 each and consolidating the two.
- (b) 43,333 Shares of Rs. 30 each were issued in 1961 as Bonus Shares by utilising Capital Reserve of Rs. 12,99,990.
- (c) During 1966, the face value of 1,71,675 Equity Shares was increased from Rs. 30 each to Rs. 50 each by utilising Rs.34,33,500 from Reserve for Investments and Advances. Further 34,335 bonus Equity Shares of Rs. 50 each were issued as fully paid by capitalisation of Rs. 17,16,750 out of General Reserve.
- (d) During 1970, the face value of equity Shares was increased from Rs. 50 to Rs. 60 per share by capitalising Rs. 20,60,100 from General Reserve.
- (e) During 1984, the face value of Equity Shares was increased from Rs. 60 to Rs. 100 per share by capitalising Rs. 82,40,400 from General Reserve.
- (f) During 1994-95, 78,880 Equity Shares of Rs. 100 each were issued to the promoters on the preferential basis.
- (g) During 2009-10, 5499 Equity Shares of Rs 100 each were issued to one of the shareholder of the transferor company - Walchand TalentFirst Limited, on account of the scheme of amalgamation.
- (h) 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, 2013		As at March 31, 2012	
	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 ended 31st March, 2013

the amount of dividend per share recommended by the Board of Directors to equity shareholders was Re 1. (31st March,2012 - Re 1).

2.5 Holding company share holding details:-

Out of the 29,03,890 Equity shares, 15,01,556 Equity Shares are held by the holding company.(Previous year out of 29,03,890 Equity shares, 15,00,064 Equity Shares are held by the holding company).

2.6 The details of the shareholder holding more than 5% shares as at March 31, 2013 is set out below: -

Name of the shareholder	As at March 31, 2013		As at March 31, 2012	
	No of shares	% held	No of shares	% held
Walchand & Company Private Limited	1,501,556	51.71	1,500,064	51.66

3 RESERVE AND SURPLUS

Rs. in Lacs

Particulars	As at March 31, 2013	As at March 31, 2012
Capital Redemption Reserve	8.50	8.50
Securities Premium Reserve	230.95	230.95
General Reserve	91.74	91.74
Surplus - Opening balance	275.17	82.62
Add: Net profit after tax transferred from Statement of Profit and Loss	176.46	226.30
Amount available for appropriation	451.63	308.92
Appropriations:-		
Interim Dividend		-
Final Dividend	29.04	29.04
Total Dividend	29.04	29.04
Dividend tax	4.94	4.71
Amount transferred to general reserve		-
Surplus - Closing balance	417.65	275.17
Total Reserve and Surplus	748.84	606.36

The Board of Directors have recommended a final dividend of 10% in its Board meeting held on 13th May,2013 which is subject to shareholders' approval.The total amount of dividends proposed to be distributed to equity shareholders for the period April, 2012 to March,2013 is Rs 29.04 Lacs.

4 LONG-TERM BORROWINGS**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
I) Secured Term loan - From a bank (Secured by hypothecation of vehicles)	5.26	16.97
II) Unsecured loans from a related party	60.00	60.00
TOTAL OTHER LONG-TERM LIABILITIES	65.26	76.97

4.1 The term loan from bank which is secured by the hypothecation of vehicles carries interest @ 10.87 % p.a. The loan is repayable in 35 equal monthly installments of Rs 1,08,162 each along with the interest from the 10th October, 2011. The balance number of months left for the payment of EMI from 31st March,2013 is 17.

4.2 The term loan from bank which is secured by the hypothecation of moveable and immoveable fixed asset carries interest @ 13.50 % p.a. The loan is repayable in 28 equal monthly installments of Rs 3,93,151 each along with the interest from the 7th February,2011. The balance number of months left for the payment of EMI from 31st March,2013 is 2.

5 OTHER LONG-TERM LIABILITIES**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Deposit received from tenant	55.92	-
TOTAL OTHER LONG-TERM LIABILITIES	55.92	-

6 LONG-TERM PROVISIONS**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Gratuity Obligation	4.47	10.68
TOTAL OTHER LONG-TERM LIABILITIES	4.47	10.68

7 SHORT-TERM BORROWINGS**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Secured cash credit - From a bank (Secured by Hypothecation of Debtors, mortgage of the building of the company and personal gurantee of the Chairperson)	61.40	48.86
TOTAL SHORT-TERM BORROWINGS	61.40	48.86

8 TRADE PAYABLES**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Dues of Micro, small and medium enterprises	7.49	3.83
Oher creditors	49.28	38.08
TOTAL TRADE PAYABLES	56.77	41.91

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. Out of the letters send to the parties, some confirmations have been received till the date of finalization of Balance Sheet. 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	As at
	March 31, 2013	March 31, 2012
Principal amount unpaid at the end of the year	7.49	3.83
Interest unpaid at the end of the year	-	-
Balance of MSME parties	7.49	3.83

9 OTHER CURRENT LIABILITIES
Rs. in Lacs

Particulars	As at	As at
	March 31, 2013	March 31, 2012
Current maturities of long term debts	15.91	57.40
Unpaid Dividends (There is no amount due and outstanding to be credited to Investor Education and Protection Fund)	6.14	4.79
Interest accrued but not due on borrowings	-	0.80
Interest accrued and due on borrowings	0.15	0.65
Deposit received from tenant	-	126.47
Provision for expenses	156.71	119.18
Statutory dues	16.83	14.35
Other payables	17.79	18.12
TOTAL OTHER CURRENT LIABILITIES	213.53	341.76

10 SHORT TERM PROVISIONS
Rs. in Lacs

Particulars	As at	As at
	March 31, 2013	March 31, 2012
a) Provision for employee benefits	13.74	12.83
b) Others		
i) Proposed dividend	29.04	29.04
ii) Provision for tax on dividend	4.94	4.71
TOTAL SHORT TERM PROVISIONS	47.72	46.58

11. FIXED ASSETS:

Rs. in Lakhs

ASSETS	ORIGINAL COST			DEPRECIATION/AMORTIZATION					NET BLOCK		
	As at April 1, 2012	Additions during the period	Deductions during the period	As at March 31, 2013	As at April 1, 2012	For the period	Adjustment	Deductions during the period	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets											
Buildings	372.81	3.00	-	375.81	158.63	10.72	-	-	169.35	206.46	214.18
Leasehold improvements	40.26	-	-	40.26	8.19	1.60	-	-	9.79	30.47	32.07
Plant and machinery	5.54	-	-	5.54	5.32	0.03	-	-	5.35	0.19	0.22
Furniture and fixtures	91.42	-	51.52	39.90	60.94	4.56	-	32.72	32.78	7.12	30.48
Data Processing and allied equipments	112.73	3.99	40.10	76.62	75.08	15.20	(0.39)	33.28	56.61	20.01	37.65
Office equipments	37.07	0.36	3.72	33.71	18.96	2.58	-	2.69	18.85	14.86	18.11
Electric instalations	34.22	0.02	20.17	14.07	8.74	3.40	-	5.82	6.32	7.75	25.48
Vehicles	51.41	-	-	51.41	9.57	11.00	(0.03)	-	20.54	30.87	41.84
Total - A	745.46	7.37	115.51	637.32	345.43	49.09	(0.41)	74.51	319.59	317.73	400.03
Intangible Assets											
Franchise fees	34.01	-	-	34.01	32.37	1.63	-	-	34.00	0.01	1.64
Software	11.98	0.24	-	12.22	3.84	2.25	0.39	-	6.48	5.74	8.14
Total - B	45.99	0.24	0.00	46.23	36.21	3.88	0.39	0.00	40.48	5.75	9.78
TOTAL - A + B	791.45	7.61	115.51	683.55	381.64	52.97	(0.03)	74.51	360.07	323.48	409.81
Previous Year	798.46	122.90	129.91	791.45	370.28	74.69	0.00	63.33	381.64	409.81	-

Note : Capital expenditure commitment remaining to be executed and not provided for Rs. 16.75 Laacs (Previous Year - NIL).

12 LEASES PROVIDED

The Company has provided its certain premises through operating and non-cancelable lease arrangements. The disclosures are as follows:

Rs. in Laacs

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Not later than one year	77.84	41.20
Later than one year and not later than five years	145.00	3.20
Later than five years	-	0.69

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

Rs. in Laacs

Particulars	As at March 31, 2013	As at March 31, 2012
Gross carrying amount	2.80	2.80
Accumulated depreciation	2.48	2.47
	For the year ended March 31, 2013	For the year ended March 31, 2012
Depreciation recognised in the Profit and Loss account	0.02	0.02
Lease rent income during the year	68.51	65.44
Lease training centre income during the year	-	192.89

13 LEASES TAKEN

- a) The Company has taken certain premises through operating and non-cancelable lease arrangements. The disclosures are as follows:

Rs. in Lacs

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Not later than one year	48.94	42.12
Later than one year and not later than five years	36.16	54.09
Later than five years	-	-

- b) The company has entered into operating lease arrangements for its office premises which are cancelable and renewable as per terms. The related rent expenses is **Rs 45.03 Lacs**. (Previous Year - Rs 29.49 Lacs).
- c) Lease training centre expenses is NIL. (Previous year - Rs 142.83 Lacs).

14 INVESTMENT

Rs. in Lacs

Other than trade PARTIULARS	Face Value	As at March 31, 2013		As at March 31, 2012	
		Quantity	Rs. in Lacs	Quantity	Rs. in Lacs
Non - Current Investments					
A) Quoted Investments					
1) Investment in Equity shares					
Associated Cement Company Ltd.	10	-	-	10	0.03
Bengal & Assam Company Ltd.	10	-	-	58	-
Bharati Airtel Ltd.	5	28	0.12	28	0.12
Biocon Ltd.	5	-	-	126	0.29
Cholamadam Investment and Finance Company Ltd.	10	-	-	24	0.05
HDFC Bank Ltd.	10	-	-	15	0.04
Hindustan Dorr - Oliver Ltd.	2	750	0.50	750	0.50
H T Media Ltd.	2	673	1.38	673	1.38
ICICI Bank Ltd.	10	-	-	25	0.19
Infrastructure Development Finance Company Ltd.	10	-	-	111	0.06
ITC Ltd.	1	-	-	138	0.14
J K Tyres and Industries Ltd.	10	750	1.41	750	1.41
Kalpataru Power Transmission Ltd.	2	420	1.34	420	1.34
KPIT Cummins Infosystems Ltd.	2	-	-	3,500	2.98
MIC Electronics Ltd.	2	75	0.11	75	0.11
Network 18 Media & Investment Ltd.	5	355	1.63	355	1.63
Onmobile Global Ltd.	10	88	0.23	88	0.23
Patni Computer Systems Ltd.	2	360	2.02	360	2.02
Prithvi Information Solutions Ltd.	10	300	1.03	300	1.03
PSL Holdings Ltd.	10	236	0.89	236	0.89
Reliance Capital Ltd.	10	16	0.16	16	0.16
Reliance Industries Ltd.	10	28	0.33	28	0.33
Sasken Communications Technologies Limited	10	400	1.92	400	1.92
Simplex Infrastructure Ltd.	2	185	1.24	185	1.24
Suzlon Energy Ltd.	2	127	0.15	127	0.15
TATA STEEL LTD.	10	27	0.12	27	0.12
Tech Mahindra Ltd.	10	169	2.51	169	2.51
Wire And Wireless (India) Ltd.	1	400	-	400	-
Zee Entertainment Enterprise Ltd. (Formerly Known as Zee Telefilms Limited) (Includes bonus)	1	-	-	1,600	2.34
Zee Entertainment Enterprise Limited (Zee News Limited got merged with Zee Entertainment Enterprise Ltd. and includes bonus)	1	-	-	152	0.19
Zee Learn Limited(De-merged from Zee Entertainment Enterprises Limited)	1	-	-	219	-
TOTAL - A			17.09		23.40

INVESTMENT (Contd.)

Other than trade PARTIULARS	Face Value	As at March 31, 2013		As at March 31, 2012	
		Quantity	Rs. in Lacs	Quantity	Rs. in Lacs
Non - Current Investments					
B) Unquoted Investments					
(1) Investment In Mutual Fund Units					
Kotak 50 - Equity Scheme Dividend (Formerly known as Kotak-30 Equity Scheme Dividend)	10	49,372.944	21.39	47,826.173	20.92
Prudential ICICI Discovery Fund - Dividend	10	58,994.916	13.46	58,994.916	13.46
Reliance Equity Fund - Dividend	10	30,182.615	5.10	30,182.615	5.10
Reliance Growth Fund -Retail Plan- Growth Plan	10	-	-	6,888.165	32.57
Reliance Long Term Equity Fund - Dividend	10	99,749.971	16.55	99,749.971	16.55
Sundaram BNP Paribas Equity Multiplier Fund - Dividend	10	-	-	47,975.400	4.79
Tata Liquid Fund - A Weekly Dividend	10	0.176	0.002	-	-
Tata Liquid Fund - Fortnight Dividend	10	6.680	0.08	6.431	0.07
TOTAL - B			56.59		93.46
2) Investment in Equity shares					
Bombay Mercantile Co-op Bank Ltd.	30	166	0.05	166	0.05
Sushrusha Citizens Co-operative Hospital Ltd.	100	-	-	100	0.10
Total - C	-	-	0.05	-	0.15
3) Investments In Debentures					
Television Eighteen India Ltd.	150	-	-	62	0.01
TOTAL - D			-		0.01
4) Investment in immovable property					
Walchand Co-op. Housing Society Ltd.	50	5	0.003	5	0.003
TOTAL - E			0.003		0.003
5) Investment in others					
Gold Coins - 30 Gm - 3 coins of 10 gm each		3	1.07		-
TOTAL - F			1.07		-
Less: Provision for investment			5.75		5.86
TOTAL OF A to F			69.05		111.16

Note: Market value of Quoted Investment is Rs 7.00 Lacs (Previous Year - Rs 13.51 Lacs).

15 DEFERRED TAXES
Rs. in Lacs

Particulars	As at	As at
	March 31, 2013	March 31, 2012
Deferred Tax Liabilities		
Difference in Book and Tax WDV of Fixed Assets	-	9.41
Total - A	-	9.41
Deferred Tax Assets		
Difference in Book and Tax WDV of Fixed Assets	0.60	-
Others	8.99	27.19
Total - B	9.59	27.19
Net Deferred Tax Asset / (Liabilities) - (B - A)	9.59	17.78

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

16 LONG-TERM LOANS AND ADVANCES
Rs. in Lacs

Particulars	As at March 31, 2013	As at March 31, 2012
Security Deposits		
i) Unsecured, considered good		
1. Electricity deposit	4.72	4.72
2. Rent deposit paid	20.46	22.86
3. Other deposits	14.92	14.92
ii) Unsecured, considered doubtful		
Security Deposit	3.61	1.81
Less: provision for doubtful debts	(3.61)	(1.81)
III) Other loans and advances		
1. Capital Advances	0.07	-
2. Income Taxes	442.42	440.49
3. MAT credit entitlement - asset	76.08	89.41
Less: Provision for taxation	(121.54)	(177.21)
TOTAL LONG-TERM LOANS AND ADVANCES	437.13	395.19

17 TRADE RECEIVABLES
Rs. in Lacs

Particulars	As at March 31, 2013	As at March 31, 2012
(I) Debts outstanding for a period exceeding six months		
Unsecured		
(a) Considered good	5.84	3.79
(b) Considered Doubtful	1.19	1.69
Less: Provision for Doubtful Debts	(1.19)	(1.69)
(II) Other Debts		
Unsecured		
(a) Considered good	342.71	208.39
TOTAL TRADE RECEIVABLES	348.55	212.18

18 CASH AND BANK BALANCES
Rs. in Lacs

Particulars	As at March 31, 2013	As at March 31, 2012
Cash on hand	0.66	0.83
Balances with banks		
In current accounts	106.06	72.42
In deposit accounts (maturity less than 3 months)		207.05
TOTAL CASH AND CASH EQUIVALENTS	106.72	280.30
In deposit accounts (maturity more than 3 months)	205.50	-
Balances with banks in unpaid dividend accounts	6.14	4.79
TOTAL CASH AND BANK BALANCES	318.36	285.09

19 SHORT TERM LOANS AND ADVANCES**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
I) Unsecured, considered good		
1) Others loan and advances		
a) Rent deposit	6.00	2.32
b) Prepaid expenses	5.27	1.85
c) Advances to employees	1.07	3.72
d) Interest Accrued on Fixed Deposit	13.82	1.88
e) Advances paid to vendors	0.51	0.01
f) Others	2.56	0.58
	29.23	10.36
II) Unsecured, considered doubtful		
1) Others loan and advances		
a) Advances to employees	2.92	2.65
Less: Provision for doubtful loans and advances to employees	(2.92)	(2.65)
Total short term loans and advances	29.23	10.36

20 OTHER CURRENT ASSETS**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Unbilled revenue	0.21	21.94

21 Revenue from Operations
Rs. in Lacs

Particulars	As at March 31, 2013	As at March 31, 2012
Income from operation - Training services	1,718.00	1,643.42

22 OTHER INCOME
Rs. in Lacs

Particulars	As at March 31, 2013	As at March 31, 2012
Rent Income	68.51	65.44
Interest on Fixed Deposit	19.30	9.71
Provision / Creditors Written Back	12.33	7.77
Interest From Income Tax Refunds	6.34	236.28
Dividend Income	2.78	3.10
Profit on Sale of Investment	5.95	-
Profit on Sale of Fixed Assets	-	1.55
Income From Hutch Alerts	0.20	0.30
Profit & Loss on Exchange Rate	0.06	-
Sundry Receipts	5.80	5.77
Total other Income	121.27	329.92

EXPENSES
Rs. in Lacs

Particulars	As at March 31, 2013	As at March 31, 2012
23 Employee benefit expenses		
Salaries and bonus	783.45	699.57
Contribution to Provident fund, Gratuity and other funds	16.12	30.14
Staff welfare	32.53	40.28
Total employee benefit expenses	832.11	769.99
24 Other Expenses		
Repairs to building	3.76	6.73
Repairs to plant and machinery	1.71	5.63
Insurance and Maintenance Expenses	6.80	7.00
Rates and taxes	8.45	8.16
Electricity charges	14.13	8.19
Telephone and Internet charges	12.69	9.87
Freight expenses	35.83	14.93
Directors Sitting Fees	3.33	1.30
Prov for Diminution in Value of Investment	-	5.70
Provision for Doubtful Debts	-	0.53
Provision for Advances and Deposits	2.24	1.63
Fixed asset written off	34.20	-
Loss on sale of fixed assets	4.44	41.77
Miscellaneous expenses	49.68	49.77
Audit Fees		
a) Statutory Fees	2.15	2.00
b) Tax Audit Fees	0.50	0.40
c) Limited Review fees and Others	1.26	1.32
d) Expenses Reimbursement	0.08	0.24
Total Other Expenses	181.25	165.17

25 TAX EXPENSE**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Income taxes		
A) Current Tax - Normal Tax - Payable	49.34	60.04
B) MAT credit entitlement utilized	12.83	-
Net Current tax Liability	62.17	60.04
C) Earlier Income Tax	2.67	112.43
Less: Earlier MAT credit entitlement	-	74.37
Net Earlier tax Liability	2.67	38.06
Deferred Taxes	8.20	(34.85)
Total Tax Liability	73.04	63.25

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

Particulars	As at March 31, 2013	As at March 31, 2012
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	-	-
Number of shares considered as weighted average shares and potential shares outstanding	2,903,890	2,903,890

Particulars	As at March 31, 2013	As at March 31, 2012
Net Profit available as per Profit and Loss account available to Equity shareholder (Rs in Lacs)	176.46	226.30
Weighted average number of equity shares for EPS computation (nos)	2,903,890	2,903,890
Basic and Diluted earning per share (Rs)	6.08	7.79

27 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Income tax liability on disputed dues	76.89	59.98
In relation to payment of Rates and Taxes payable to Municipal Corporation of Great Mumbai (BMC) for the period from 1st April,2000 to 31st March 2013 the demand amount stated is disputed and Appeal is pending before the High Court.	145.66	210.18
In relation to Lease rental payable to Mumbai Port Trust the disputed amount stated has been challenged by the Company in the City Civil Court.	103.23	95.91

28 ACTIVITY IN FOREIGN CURRENCY**Rs. in Lacs**

Particulars	As at March 31, 2013	As at March 31, 2012
Earnings in foreign currency		
Income from training services	34.29	16.98
Others	1.25	2.47
Expenditure in foreign currency		
Royalty remitted	147.34	126.96
Others	11.82	13.71

29 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

Nature of Relationship

Chairperson & Managing Director

Whole Time Director

C Relative of Key Management Personnel:

Name of the Related Party

Mrs. Kamalini Bahubali

Nature of Relationship

Mother of Ms.Pallavi Jha

Particulars	Rs. in Lacs	
	As at March 31, 2013	As at March 31, 2012
A. Transaction with companies		
(i) Interest on unsecured loan		
Walchand & Company Private Limited	5.40	7.13
(ii) Dividend paid		
Walchand & Company Private Limited	15.00	-
Walchand Diamond Jubilee Trust	0.61	-
(iii) Unsecured loan repaid		
Walchand & Company Private Limited	-	60.11
(iv) Income from property		
Walchand & Company Private Limited	0.51	0.51
B. Transactions with Key Management Personnel		
(i) Remuneration paid		
Managing Director's Remuneration	59.00	53.62
Whole time Directors Remuneration	57.00	51.82
(ii) Dividend paid		
Chairperson and Managing Director	0.02	-

Managerial remuneration**Rs. in Lacs**

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Chairperson and Managing Director		
Salary	26.40	24.00
Performance Pay	13.20	12.00
Contribution to Provident Fund	3.17	2.87
Contribution to Superannuation Fund	3.96	3.60
Gratuity	1.27	1.15
Perquisites	11.00	10.00
Total	59.00	53.62
Whole- Time Director		
Salary	25.30	23.00
Performance Pay	12.65	11.50
Contribution to Provident Fund	3.04	2.76
Contribution to Superannuation Fund	3.80	3.45
Gratuity	1.21	1.11
Perquisites	11.00	10.00
Total	57.00	51.82

During the year ended 31st March, 2013 the Board of Directors recommended a final dividend of 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.

30 Employee benefit disclosure

The Company has classified various employee benefits as under:

(i) Defined Contribution plans

The amounts recognized as expense :-

Rs. in Lacs

Particulars	For the year ended March 31, 2013	For the year ended March 31,2012
Contribution to Provident Fund and Construction Employees Provident Fund	18.27	17.81
Contribution to Superannuation Fund	7.76	7.05

(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.

Particulars	Rs. in Lacs	
	As at March 31, 2013	As at March 31, 2012
A) Change in defined benefit obligation		
Opening defined benefit obligation	38.45	28.98
Current service cost	8.81	8.39
Interest cost	3.27	2.25
Actuarial (gain)/ Losses on Obligation	(11.93)	1.55
Benefits paid	(3.03)	(2.72)
Additional provision		
Closing defined benefit obligation	35.57	38.45
B) Change in fair value of assets		
Opening fair value of plan assets	29.89	3.24
Expected return on plan assets	2.57	0.26
Actuarial gain/(losses) on plan assets	0.05	1.86
Contributions by employer	1.62	27.25
Benefits paid	(3.03)	(2.72)
Closing fair value of plan assets	31.10	29.89
C) Expenses recognised		
Current service cost	8.81	8.39
Interest on Defined Benefit Obligation	3.27	2.25
Expected return on plan assets	(2.57)	(0.26)
Net Actuarial (gain) /Losses recognized	(11.98)	(0.30)
Total expense recognized	(2.47)	10.08
D) Amount recognised in Balance sheet		
Present value of Funded obligations	35.57	38.45
Fair value of plan assets	31.10	29.89
Net Liability	4.47	8.56
E) Actuarial assumptions		
Discount Rate (p.a)	8.25%	8.50%
Expected rate of return on assets (p.a)	8.70%	8.60%
Salary Escalation rate (p.a)	4.00%	9.00%
F) Experience Adjustments:		
Experience adjustment on plan liability-Loss	1.98	2.32
Experience adjustment on plan assets-Gain	0.05	1.86

CASH FLOW STATEMENT

Cash Flow Statement For the Year Ended 31st March, 2013

	2012-2013		2011-2012	
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
A Cash flows from operating activities:				
Net Profit before tax		249.50		289.55
Adjustments for:				
Depreciation and amortization	52.97		74.70	
Dividend income	(2.78)		(3.10)	
Wealth Tax	3.55		3.51	
Interest income	(19.30)		(9.71)	
Interest expense	21.15		27.59	
Loss on sale of assets	4.44		41.77	
Profit on sale of assets	-		(1.55)	
Profit on sale of investment	(5.95)			
Fixed assets written off	34.20		-	
Provision for doubtful debts	-		0.53	
Provision for doubtful loans and advances	2.24		1.63	
Provision for diminution in value of investment	-		5.70	
Provision for expenses written back	(12.33)	78.19	(7.77)	133.30
		<u>327.69</u>		<u>422.85</u>
Adjustment for:				
Current assets, Trade receivables and Loans and advances	(121.47)		(9.60)	
Payables and Other liabilities	(8.98)	(130.45)	1.43	(8.17)
Net cash from operating activities before income tax		<u>197.24</u>		<u>414.68</u>
Taxes paid		(112.68)		48.00
Net cash from operating activities		<u>84.56</u>		<u>462.68</u>
B Cash flow from investing activities:				
Purchase of fixed assets	(7.61)		(105.06)	
Capital work in progress	(8.70)		-	
Sale of fixed assets	2.36		26.36	
Sale of investments	48.06		(0.46)	
Dividend income	2.78		3.10	
Interest income	7.35		7.84	
Net cash from investing activities		<u>44.24</u>		<u>(68.22)</u>
C Cash flow from financing activities:				
Repayment of unsecured loan	-		(60.11)	
Proceeds from secured loans	-		35.02	
Repayment of secured loans	(40.68)		(89.30)	
Interest paid	(22.45)		(36.95)	
Dividend Paid	(27.69)		-	
Dividend Tax Paid	(4.71)		(0.23)	
Net cash from financing activities		<u>(95.53)</u>		<u>(151.57)</u>
Net increase/(decrease) in cash and cash equivalents		<u>33.27</u>		<u>242.89</u>
Cash and cash equivalents at beginning of year				
Cash on Hand	0.83		0.16	
Balances with Banks	77.21		42.04	
Balances with Schedule banks in Deposits accounts	207.05			
		<u>285.09</u>		<u>42.20</u>
Cash and cash equivalents at end of year				
Cash on Hand	0.66		0.83	
Balances with Banks	112.20		77.21	
Balances with Schedule banks in Deposits accounts	205.50		207.05	
		<u>318.36</u>		<u>285.09</u>

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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 : 13th May , 2013

PALLAVI JHA

SANJAY JHA

SHRUTHI PATNI

Chairperson and Managing Director

Whole Time Director

Vice President - Finance and Accounts



WALCHAND PEOPLEFIRST LIMITED

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

Attendance Slip

Please complete this Attendance Slip and hand it over at the meeting hall. It helps us to make proper arrangements. Failure to bring this Attendance Slip will cause unnecessary inconvenience to you.

Please write below	
Registered	Share
Folio No.	held
Client ID No.	
DP ID No.	

(Please write your name in BLOCK Letters)

I hereby record my presence at the 93rd ANNUAL GENERAL MEETING of the Company Scheduled to be held at Walchand Hirachand HALL, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020 on Thursday, July 30, 2013 at 3:00 P.M.

Members/Proxy's Signature
(To be signed at the time of handing over this slip)

NOTES :

- Members/Proxy holders are requested to bring their copy of the Annual Report with them at the meeting.
- Please carry with you this Attendance Slip and hand over the same duly signed at the space provided, at the entrance of the meeting hall.

CUT HERE



WALCHAND PEOPLEFIRST LIMITED

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

Proxy Form

Registered	Shares
Folio No.	held
Client ID No.	
DP ID No.	

I/We of in the district of being a Member/Members of the above-named Company, hereby appoint of in the district of or failing him of in the district of as my/our proxy to vote for me/us on my/our behalf at the 93rd Annual General Meeting of the Company Scheduled to be held at Walchand Hirachand HALL, Indian Merchants' Chambers, IMC Marg, Churchgate, Mumbai – 400 020 on Thursday, July 30, 2013 at 3:00 P.M. or at any adjourned Annual General Meeting. Signed by the said day of 2013.

Signed this

Affix a Re. 1/- Revenue Stamp
--

NOTE : The Proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

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WALCHAND PEOPLEFIRST LIMITED

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

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