



WALCHANDNAGAR INDUSTRIES LIMITED

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Ref. No. : WI:SEC:2014
Date : 27.02.2014

National Stock Exchange of India Ltd
Corporate Action Department
Exchange Plaza, 5th floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
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BSE Ltd.,
Corporate Relations Department
1st floor, New Trading Ring,
Rotunda Bldg P.J. Tower,
Mumbai 400 001
Fax:: 22723121/2039/2037

Dear Sirs,

Sub: Submission of Minutes of Annual General Meeting held on 28.01.2014

Please find enclosed herewith the certified true copy of Minutes of Annual General Meeting of the Company held on Tuesday, 28.01.2014 for your perusal and record.

Thanking you,

Yours faithfully,
For **Walchandnagar Industries Ltd.**,

G. S. Agrawal
Vice President (Legal & Taxation) & Company Secretary

Encl: As above

HELD AT _____ ON _____ TIME _____

WALCHANDNAGAR INDUSTRIES LIMITED

Minutes of 105th Annual General Meeting of Walchandnagar Industries Ltd. held at Walchand Hirachand Hall, Indian Merchants' Chamber Building, Churchgate, Mumbai – 400 020 on Tuesday, 28th January, 2014 at 3:30 p.m.

DIRECTORS PRESENT

Mr. Chakor L. Doshi	Chairman
Dr. P. K. Basu	Director
Mr. Dilip J. Thakkar	Director
Mr. G. N. Bajpai	Director
Mr. A. R. Gandhi	Director
Mrs. Bhavna Doshi	Director
Mr. A.U. Rijhsinghani	Director
Mr. J. L. Deshmukh	Director
Mr. Chirag C Doshi	Managing Director

In attendance :

Mr. V. T. Pawar	Sr. President
Mr. G. S. Agrawal	Vice President (Legal & Taxation) & Company Secretary
Mr. B. R. Shaikh	Chief Manager (Accounts)

Members present in person : 165
Members present by proxy : 20

1. Mr. Chakor L. Doshi, Chairman took the chair and welcomed the Shareholders / Members to the 105th Annual General Meeting.
2. The Chairman stated that the Annual Report and the Notice convening the meeting were already in the hands of the Shareholders and with the consent of members present, the Notice of 105th Annual General Meeting was taken as read.
3. The Chairman then asked Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary to read the Auditors' Report for the Year ended 30th September, 2013. Company Secretary read the Auditors' Report.
4. The Chairman informed the members that Register of Directors' shareholding and the Register of Proxies were placed on the table. The Chairman also informed the members that the Company had received 20 proxies representing 2,10,47,787 (55.29%) of votes, all were in favour of the Management.
5. The Chairman introduced the new Directors, Mr. A. R. Gandhi and Mrs. Bhavna Doshi and other Directors on the dias, Company Secretary and Senior Executives who were present at the meeting, to the members.
6. The Chairman informed the members that since his statement was already circulated with Annual Report, the same may be taken as read.



 CHAIRMAN'S INITIALS


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7. RESOLUTION NO. 1 – Adoption of Audited Annual Accounts.

The Chairman thereafter moved the following Resolution, which was seconded by Mr. Chirag C. Doshi.

"RESOLVED THAT the Audited Balance Sheet as at 30th September, 2013 and the Statement of Profit & Loss for the Year ended on that date together with the Directors' and Auditors' Reports thereon be and are hereby received, considered and adopted."

After the Resolution was duly proposed and seconded, the Chairman invited queries / comments from the Shareholders on the Audited Annual Accounts of the Company for the year ended 30th September, 2013.

Thereafter, the following members expressed their views and offered comments on the Audited Annual Accounts and also put forward certain suggestions:

- | | |
|----------------------------------|----------------------------|
| (1) Mrs. Ashalata Maheshwari | (2) Mrs. Smita Shah |
| (3) Mr. Davar Tehmtan Maneckjee | (4) Mrs. Homa Pouredahi |
| (5) Mr. Beruz Feramroz Pouredahi | (6) Mr. Ghanshyam bharucha |
| (7) Mr. Bharat Shah | (8) Mr. Hariram Chaudhary |
| (9) Mr. Gautam Tiwari | (10) Mr. Arvind Vijayakar |
| (11) Mr. Hiranand Kotwani | (12) Mr. Ronald Fernandes |
| (13) Mr. Joseph B. Martins | (14) Mr. Sharadkumar Shah |
| (15) Mr. Babulal Parekh | (16) Mr. Michael Martins |
| (17) Mr. Ashok Shah | (18) Mrs. H. S. Patel |
| (19) Mr. Dinesh Bhatia | (20) Mr. Yusuf Rangwala |
| (21) Mr. Burjor Daruvala | (22) Mr. Milind Shah |
| (23) Mr. J. S. Sanghavi | |

The following suggestions / observations / comments were offered by the members and certain information mentioned below was also sought:-

- i. Welcomed Mr. A. R. Gandhi and Mrs. Bhavna Doshi for joining the Board and all Directors present at the Meeting.
- ii. Complimented for transparent, informative, cost effective Balance Sheet for the Year ended 30th September, 2013. Also stated their gratitude to the Company Secretary and his secretarial team for receiving the Annual Report on time.
- iii. Appreciated for Distributing Dividend every year since last 20 years and proposing the Dividend @ 20 % for the Financial Year 2012-2013 out of Accumulated Profits of the earlier years in spite of having loss in the current year.
- iv. Complimented for Corporate Social Responsibility activities carried out by the Company and suggested to spend some amount for the Senior Citizens also and to establish an Hospital in the name of Founder of the Company.
- v. Wanted to know the reasons of loss for the Year ended 30th September, 2013.
- vi. Wanted to know to which countries the Company exports.
- vii. Commented on future Growth in Missile Division, Aerospace Division and Defence Division and asked about future plans for the said Divisions.
- viii. Suggested for Buy Back of Equity Shares of the Company.



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- ix. Wanted to know about the distribution of duties between Mr. Chirag C. Doshi, Managing Director and Mr. G. K. Pillai, Managing Director and C.E.O.
- x. Complimented for appointing Woman Director on the Board in compliance with the requirement of the proposed Companies Act / Listing Guidelines.
- xi. Wanted to know about the excess remuneration paid to Mr. Chirag C. Doshi as mentioned in Item No. 9 of 105th Annual Report.
- xii. Wanted to know details of Revaluation Reserves and Fixed Assets.
- xiii. Commented that the market price of the shares of the Company are still reasonable in spite of loss in the current year and mentioned that this shows Investor's confidence in the Company.
- xiv. Suggested to upload the details of Unclaimed Dividend on the Website of the Company.
- xv. Wanted to know details of Order Book Position as on the date.
- xvi. Wanted to know Capital Expenditure programme for current year and for next two to three years.
- xvii. Wanted to know the reason for increase in Short Term borrowing as compared to that of Long Term borrowing.
- xviii. Wanted to know the details of shares sold by the Company and details of Mutual funds.
- xix. Commented on the email id of RTA provided in the Annual Report.
- xx. Wanted to know the types and range of missiles we are manufacturing.
- xxi. Complimented on employees / management contribution for growth of the Company.
- xxii. Requested for Factory visit
- xxiii. Wanted to know about Exceptional Item mentioned in Statement of Profit & Loss.
- xxiv. Suggested to mention the details of the documents required to be submitted for claiming the Unclaimed Equity Shares by the shareholders in the Annual Report itself.
- xxv. Wanted to know about Settlement petition.
- xxvi. Wanted to know the reasons for increase in Ethiopia branch expenses.
- xxvii. Wanted to know about foreign currency loans.

The Chairman then made the following observations on the points raised by the Shareholders.

- i. The Chairman thanked the shareholders for their appreciation to the Management for their contribution in the growth of the Company.
- ii. The Chairman informed to the members that the Company has been undertaking CSR activities since very long time. The appropriate statistical data with regard to CSR will be inserted in Annual Report as and when the relevant sections of the Companies Act, 2013 will be notified.
- iii. The Chairman informed the members that the Company has been continuously exploring opportunities to increase export in various countries like Africa, Ethiopia, Uganda, Kenya, Columbia (South America), etc. The Company in the past had exported in Nigeria, South East Asia, Vietnam, etc.



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- iv. The Chairman informed to the members that the Order book position is around Rs. 1600 Crores. The Chairman explained to the members that the Company is making continuous efforts to improve the Turnover and Profitability of the Company.
- v. The Chairman informed to the members that 96.80% of the shareholding of the Company have been in electronic mode.
- vi. The Chairman informed to the members that the Company will consider organizing the factory visit at an appropriate time.
- vii. The Chairman informed to the members that Mr. Chirag C. Doshi is the Managing Director whereas Mr. G. K. Pillai is the Managing Director & C.E.O. He said that they consult each other at all times. There are variety of strategic and critical areas on which Mr. Chirag C. Doshi concentrates. Also associations in which WIL is the member like Indian Merchant Chambers, is represented by him. He further mentioned that, the operations are entirely looked after by Mr. G. K. Pillai.
- viii. The Chairman informed to the members that the same package which was approved by the Shareholders in the 104th AGM is being paid to Mr. Chirag C. Doshi. However due to loss the Shareholders approval and Central Government approval is required for payment of same Remuneration as already approved by the Shareholders.
- ix. The Chairman informed to the members that the Capex for the next few years is around ₹ 50 Crores.
- x. The Chairman informed that some of the HDFC shares held by the Company for a long time have been sold for generating liquidity and Profit on Sale of the same are mentioned under Exceptional item in Profit & Loss Account.
- xi. The Chairman informed that because of working capital requirement, borrowings has to be done which in turn have increased the interest cost.
- xii. The Chairman informed that Company have filed application with the Settlement Commission and all taxes due have already been paid.

The Chairman thanked the shareholders for their various suggestions and informed that all their valuable suggestions will be considered at an appropriate time.

The Chairman then put the Resolution No. 1 for adoption of Audited Accounts to vote by show of hands and declared that the same was carried unanimously.

8. RESOLUTION NO. 2 - Payment of Dividend

The Chairman thereafter moved the Resolution No.2 for declaration of dividend on Equity Shares, which was proposed by Mr. Babulal Parekh and seconded by Mr. Bharat Shah.



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"RESOLVED THAT a dividend for the Financial year 2012-2013 @ 20% (i.e. at ₹ 0.40/- per share) on 3,80,70,205 equity shares of ₹ 2/- each equivalent to ₹ 152.28 Lakhs be and is hereby declared and the same be paid to those members whose names appear on the Register of Members of the Company as on 28th January, 2014. In respect of shares held in electronic form, the dividend will be paid to the beneficial owners as per details furnished by the Depositories for this purpose as at the end of business hours on 17th January, 2014."

The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

9. RESOLUTION NO. 3 – Re-appointment of Mr. A. U. Rijhsinghani

Mrs. Ashalata Maheshwari proposed the following Resolution regarding appointment of Mr. A. U. Rijhsinghani as a Director of the Company which was seconded by Mr. Gautam Tiwari.

"RESOLVED THAT Mr. A. U. Rijhsinghani, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

10. RESOLUTION NO. 4 – Re-appointment of Mr. G. N. Bajpai

Mr. S. K. Mahajan proposed the following Resolution regarding the appointment of Mr. G. N. Bajpai as a Director of the Company which was seconded by Mr. Milind Shah.

"RESOLVED THAT Mr. G. N. Bajpai, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

11. RESOLUTION NO. 5 – Re-appointment of Dr. Anil Kakodkar

Mr. Bharat Shah proposed the following Resolution regarding the appointment of Dr. Anil Kakodkar as a Director of the Company which was seconded by Mr. Michael Martins.


"RESOLVED THAT Dr. Anil Kakodkar, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

12. RESOLUTION NO. 6 – Appointment of Auditors.

The following Resolution was proposed by Mr. Babulal Parekh and seconded by Mrs. Smita Shah.

"RESOLVED THAT M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the


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next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company."

The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

13. RESOLUTION NO. 7 – SPECIAL BUSINESS

The following Ordinary Resolution No. 7 regarding the appointment of Mr. A. R. Gandhi as a Director of the Company liable to retire by rotation was proposed by Mr. Chakor L. Doshi and seconded by Mr. Chirag C. Doshi.

"RESOLVED THAT Mr. A. R. Gandhi whose term of Office as an Additional Director pursuant to Section 161 of the Companies Act, 2013 (erstwhile Section 260 of Companies Act, 1956) and Article 133 of the Articles of Association of the Company expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

14. RESOLUTION NO. 8 – SPECIAL BUSINESS

The following Ordinary Resolution No. 8 regarding the appointment of Mrs. Bhavna Doshi as a Director of the Company liable to retire by rotation was proposed by Mr. Chirag C. Doshi and seconded by Mr. Hariram Chaudhary.

"RESOLVED THAT Mrs. Bhavna Doshi whose term of Office as an Additional Director pursuant to Section 161 of the Companies Act, 2013 (erstwhile Section 260 of Companies Act, 1956) and Article 133 of the Articles of Association of the Company expires at this Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

As the subsequent two Special Resolutions Nos. 9 and 10 were regarding (i) the waiver of excess remuneration paid to Mr. Chirag C. Doshi, Managing Director of the Company for F.Y. 2012-13 in case of loss or inadequate profit during the year, and (ii) the payment of Minimum Remuneration to Mr. Chirag C. Doshi, Managing Director of the Company in case of loss or inadequate profit during the term of his appointment commencing from 1st October, 2013 till 24th November, 2017 and the Chairman was considered interested in these Resolutions, therefore, the Chairman requested Dr. P. K. Basu to take the Chair and conduct the proceedings in respect of these items. Thereafter, Dr. P. K. Basu took the Chair.



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15. RESOLUTION NO. 9 – SPECIAL BUSINESS

The following Special Resolution No. 9 regarding the waiver of excess remuneration paid to Mr. Chirag C. Doshi, Managing Director of the Company for F.Y. 2012-13 in case of loss or inadequate profit during the year was proposed by Mr. Smita Shah and seconded by Mr. Gautam Tiwari.

"RESOLVED THAT subject to the approval of the Central Government, consent of the Company be and is hereby accorded for waiving the recovery of a sum of ₹ 40,24,426/- paid as Managerial remuneration to Mr. Chirag C. Doshi, Managing Director of the Company during the period from 1st October, 2012 to 30th September, 2013 in excess of the remuneration as permissible as per Schedule XIII of the Companies Act, 1956 as the Company had incurred loss/inadequate profits/insufficiency of profits for the Financial Year ending on 30th September, 2013.

RESOLVED FURTHER THAT Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary be and is hereby authorised to submit the application to the Central Government under Section 309 (5B) or any other applicable provisions if any of the Companies Act, 1956 for waiver of the excess of the remuneration paid to Mr. Chirag C. Doshi and to do all other things as may be required in this regard."

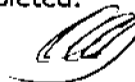
The Chairman then put the Resolution to vote by show of hands and declared that the same was carried unanimously.

(Mr. Chakor L. Doshi and Mr. Chirag C. Doshi, considered interested, did not participated in the item)

16. RESOLUTION NO. 10 – SPECIAL BUSINESS

The following Special Resolution No. 10 regarding the payment of Minimum Remuneration to Mr. Chirag C. Doshi, Managing Director of the Company in case of loss or inadequate profit during the term of his appointment commencing from 1st October, 2013 till 24th November, 2017 was proposed by Mrs. Ashalata Maheshwari and seconded by Mr. Burjor Daruvala.

"RESOLVED THAT subject to the approval of the Central Government and pursuant to the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (including any amendment, modification, variation or re-enactment thereof), the consent of the Shareholders of the Company be and is hereby accorded for payment of the same remuneration to Mr. Chirag C. Doshi, Managing Director of the Company as per the terms approved by the Members at 104th Annual General Meeting held on 31st January, 2013 as appearing below as minimum remuneration for the period from 1st October, 2013 till the completion of his terms on 24th November, 2017 in the event of the Company having no profit or inadequate profits/insufficiency of profits during any subsequent financial year in which his present term is completed.



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REMUNERATION :

SALARY : ₹ 4,00,000/- per month.

(In the grade of ₹ 4,00,000/- to ₹ 8,00,000/- per month.)

The Chairman of the Board has been authorised to sanction annual increment within above grade.

COMMISSION :

Mr. Chirag C. Doshi would be entitled to a Commission of 1% (One Percent) of the net profits of the Company computed in accordance with Section 349 of the Companies Act 1956.

SPECIAL ALLOWANCE :

Special Allowance of ₹ 1,65,000/- per month

PERQUISITES :

In addition to Salary and Commission, Mr. Chirag C. Doshi would be entitled to the following perquisites :

HOUSING / RENT FREE ACCOMODATION:

House Rent Allowance / Rent Free Accommodation not exceeding ₹ 70,000/- per month.

LEAVE TRAVEL CONCESSION / ALLOWANCE:

Leave Travel Concession / Allowance for self and family once in a year subject to the ceiling of one month's salary per annum.

"Family" means 'spouse, dependent children and parents.'

LEAVE:

Leave, Leave accumulation and encashment as per Rules of the Company.

MEDICAL ALLOWANCE / REIMBURSEMENT :

Medical Allowance / Reimbursement of expenses incurred by the Managing Director for Self and his family (spouse, dependent children and parents) subject to the ceiling of one month's salary in a year or 5 months' salary over a period of 5 years.

CONTRIBUTION TO PROVIDENT FUND AND SUPERANNUATION BENEFIT:

Contribution to Provident Fund and the Superannuation benefit by purchase of Annuity or otherwise shall be as prescribed under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Income-tax Act, 1961 to the extent that these either singly or put together are not taxable under the Income-tax Act, 1961.


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GRATUITY:

Half month's salary for each completed year of service.

FREE USE OF CAR:

The Company shall provide one car with driver or reimburse the Driver's Salary, for the Company's business which will not be considered as a perquisite and use of car for private purposes shall be billed by the Company.

GAS, ELECTRICITY, PERSONAL ACCIDENT INSURANCE, ETC.

The Company shall reimburse expenses or pay allowance for utilization of Gas, Electricity, Water, Furnishing, Repairs, Personal Accident Insurance Premium, Club fees, Membership of Professional Bodies and such other perquisites and/or allowances with overall ceiling of one month's average salary per year. The said perquisites and allowances shall be calculated wherever applicable as per Income Tax Act, 1961 and any rules thereunder. In the absence of any Rules, such perquisites shall be considered at actual cost.

COMMUNICATION FACILITIES:

The Company shall provide free of charge communication facilities such as telephone, mobile, internet etc. the expenditure on which shall not be considered as a perquisite. However, long distance personal calls shall be billed by the Company.

RESOLVED FURTHER THAT Mr. G. S. Agrawal, Vice President (Legal & Taxation) & Company Secretary be and is hereby authorised to sign and submit the application to the Central Government for approval of minimum remuneration to Mr. Chirag C. Doshi and to do all other things as may be required to give effect to the above Resolution."

(Mr. Chakor L. Doshi and Mr. Chirag C. Doshi, considered interested, did not participated in the item)

17. Thereafter, Mr. Chakor L. Doshi again took the Chair and thanked the Members for the constructive and useful suggestions / observations.

The Chairman then declared the Meeting to have concluded.


CHAIRMAN 27/2/14

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Verified by G S AGRAWAL