

## DIRECTORS' REPORT

### TO THE MEMBERS OF WEIZMANN LIMITED

The Directors are pleased to present this 31<sup>st</sup> Annual Report and the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2018.

#### 1. FINANCIAL RESULTS

(₹ in lakh)

Particulars	2017-2018	2016-17
Total Income including exceptional items	476.66	585.65
Profit / (Loss) Before Depreciation	612.32	702.74
Less : Depreciation	135.66	117.09
Profit / (Loss) Before Tax	476.66	585.65
Less : Income Tax	62.32	217.07
Less : Deferred Tax	112.46	26.13
Profit / (Loss) After Tax	301.38	342.44
Other Comprehensive Income Net of Tax	356.07	143.21
Total Comprehensive Income for the year	657.45	485.65

The consolidated Financial Statements of the Company and its associate, prepared in accordance with Indian Accounting Standards (IND AS) including the Rules notified under the relevant provisions of the Companies Act, 2013, form part of the Annual Report and Accounts. The Company has adopted IND AS w.e.f. 01.04.2017, the date from which the said standards are mandatorily applicable and accordingly has changed number of Accounting Policies as detailed in "Significant Accounting Policies" forming part of Financial Statements for F.Y. 2017-18 in line with the applicable IND AS. Figures for F.Y. 2016-17 has been restated as per IND AS and therefore may not be comparable with Financials for F.Y. 2016-17 approved by the Directors and disclosed in the Financial Statements of the previous year.

#### 2. DIVIDEND AND RESERVES

Your Directors recommend for approval of the Members at the ensuing Annual General Meeting, dividend of 5% ie. 0.50 ps per equity share of ₹ 10/- each, for the financial year ended 31<sup>st</sup> March, 2018 (Previous year 2016-17 : Final dividend on Equity Shares @ 5% i.e. 0.50 paise per equity share). The dividend will be paid in compliance with the applicable rules and regulations.

No amount was transferred to General Reserve during the year.

#### 3. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2018 was ₹ 17,27,15,360/-. The Company has not issued any new equity shares during the year.

#### 4. PERFORMANCE OF THE COMPANY

During the year, total income of the Company was ₹ 8976.34 lakh as against ₹ 8694.63 Lakh in the previous year i.e. an increase of about 3.24%. The PBT stood at ₹ 476.66 Lakh against ₹ 585.65 lakh in the previous year and PAT at ₹ 301.38 lakh against ₹ 342.44 lakh in the previous year.

As in the previous year, the Company's focus continues to be on job work and local sales as against exports. During 2017-18, the turnover thereof contributed to 3.55% (job work and local sales) as against 55.19% in the previous year.

There has been no change in the business of the Company during the year as compared to the previous year.

#### 5. SUBSIDIARY / ASSOCIATES / JOINT VENTURE COMPANIES

The Company does not have any Subsidiary and Joint Venture Company. However, the Company has formulated policy for determining material subsidiary and the same may be accessed on the website of the company – <http://www.weizmann.co.in/msp.html>.

Windia Infrastructure Finance Ltd is the only Associate Company. In accordance with Section 136 of the Companies Act, 2013 read with Rule 10 of The Companies (Accounts) Rules, 2014, a Company may forward statement of accounts containing the salient features in the prescribed form and simultaneously ensure that copies of the financial statements including consolidated financial statements along with Auditors Report, Directors Report and other documents that are required to be attached are annexed with the financial statements and made available for inspection at the registered office of the Company, during working hours for a minimum period of 21 days prior to the meeting of the shareholders. Accordingly, Accounts in the Abridged Form as prescribed in Form AOC-3 of the subject rules are being forwarded to all the members of the Company with complete set of financial statements available at the registered office of the Company as well as on the website of the Company [www.weizmann.co.in](http://www.weizmann.co.in). Also, salient features in the financial statement of associate company compiled in Form AOC-1 of the subject Rules are attached to the financial statements.

No Company became or ceased to be an Associate during the year under review.

#### 6. DIRECTORS AND KEY MANAGEMENT PERSONNEL

In accordance with the provisions of the Section 152(6)(e) of the Companies Act, 2013, Mr. Neelkamal V. Siraj (DIN : 00021986), Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

During the year, Mr. Vishnu P. Kamath and Mr. Vinesh N. Davda, Directors of the Company have resigned from the Board w.e.f. 12<sup>th</sup> December, 2017. Further pursuant to provisions of Section 149 of the Companies Act, 2013, it is proposed to seek shareholders approval to designate Ms. Smita V. Davda, Director of the Company as Non-Executive Independent Director of the Company, for one term of consecutive 5 years from the conclusion of ensuing Annual General Meeting of the Company.

The Board of Directors had held 4 (four) meetings of the Board during financial year 2017-2018.

#### 7. STATEMENT INDICATING THE MANNER IN WHICH FORMAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee of the Board continuously evaluate the performance of the Board and provide feedback to the Chairman of the Board. The independent directors had a separate meeting, without the presence of any non independent directors and management and considered and evaluated the Board's performance, performance of the Chairman and other non independent directors and shared their views with the Chairman. The Board had also separately evaluated the performance of the Committees and Independent Directors without participation of the relevant director.

#### 8. EXTRACT OF ANNUAL RETURN AS PER SECTION 92(3) OF COMPANIES ACT, 2013

An extract of Annual Return as at 31<sup>st</sup> March, 2018 pursuant to Section 92(3) of the Companies Act, 2013 and forming part of this Report is attached as Annexure I to this Report.

#### 9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) of the Companies Act, 2013, your Directors confirm:

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- iv) that the Directors had prepared the annual accounts on a going concern basis.
- v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**10. STATEMENT OF DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(7) OF THE COMPANIES ACT, 2013**

The Board confirms the receipt of statement of declaration from Independent Directors as called for u/s.149 (6) of the Companies Act, 2013.

**11. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

The Company has constituted a Nomination and Remuneration Committee with the responsibilities of formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, Key Managerial Personnel and other employees; Formulating criteria for evaluation of independent directors and the Board; Devising policy on Board diversity; Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

Appointment and Remuneration of Managing Director is subject to approval by members in General Meeting and shall be in accordance with Schedule V of Companies Act, 2013 and ceiling as per Section 197 of the Act. Appointment of Independent Directors is subject to satisfaction of conditions u/s. 149(6) of the Companies Act, 2013. The Independent Directors shall be governed by Code of Conduct detailed in Schedule IV of the Companies Act, 2013.

The personnel selected as Board Member or Key Management Personnel or other senior personnel of the Company is based on their requisite qualifications, skills, experience and knowledge in the relevant fields.

Remuneration policy of the Company includes fixation of remuneration and annual increments based on performance, knowledge, position, target achievement, Company's business plans, market environment and the remuneration is segregated into monthly fixed payments, annual payments, contribution to social and retirement benefits, reimbursement of expenses incurred for discharge of official duties, annual bonus, welfare schemes like insurance on health for self and family, accident benefits, tying up with agencies for managing retirement benefits like gratuity, pension schemes, etc.

The remuneration policy as above is also available on the website of the Company- <http://www.weizmann.co.in/nrnp.html>.

**12. PARTICULARS OF THE EMPLOYEES AND INFORMATION CALLED FOR UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits, top 10

employees in terms of remuneration drawn and other Disclosures pertaining to remuneration are set out in the said rules are provided in the Annual Report.

Having regard to the provisions of the proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company.

The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

**13. DISCLOSURE OF PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Report on the matters of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure II forming part of this report.

**14. FIXED DEPOSITS**

- a. Accepted during the year is NIL
- b. remained unpaid or unclaimed at the end of the year is NIL
- c. there is no default in repayment of deposits or payment of interest thereon during the year.
- d. there are no deposits which are not in compliance with the requirement of Chapter V of the Act.

**15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S. 186 OF THE COMPANIES ACT, 2013**

**Details of loans given:**

Loans given to Tapi Energy Projects Limited during the year – ₹ 1122.66 Lakh & Balance as on 31<sup>st</sup> March, 2018 – ₹ 2802.01 Lakh and Weizmann International Limited – ₹ 60.30 Lakh & Balance as on 31<sup>st</sup> March, 2018 – ₹ 529.77 Lakh.

**Details of Investments made during the year:**

There were no investments made during the year 2017-18.

**Details of Guarantees given:**

There were no guarantees given during the year 2017-18.

**16. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013**

The transactions with the Related Parties are at arm's length basis and these transactions are not of material in nature as per Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014. The related party transactions are placed before the Audit Committee as also the Board for approval.

**17. POLICY ON RELATED PARTY TRANSACTIONS**

The Company has framed a policy on related party transactions and the same has been hosted on its website at the link <http://www.weizmann.co.in/rpt-policy.html>. The policy includes the specific category of policies requiring prior approval of the Audit Committee, the Board of Directors, Special Resolution by members at General Meeting, determining the materiality of the related party contract both under Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 and also the procedures to be followed in complying with the statutory provisions in respect of related party transaction, if any.

**18. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY FOR THE COMPANY**

The Company has framed its Risk Management Policy detailing the identification of elements of risks, monitoring and mitigation of the risks. The Company has also constituted a Risk Management Committee for the above purpose. The Company has laid down

detailed process in planning, decision making, organizing and controlling. The Risk Management Policy has been hosted on the Company's website: <http://www.weizmann.co.in/rmp.html>.

#### 19. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has contributed funds for the schemes of eradicating hunger and poverty, promotion of education and medical aid. The contributions in this regard have been made to a registered trust which is undertaking the activities prescribed under Schedule VII of the Companies Act, 2013. The Annual report on CSR activities is annexed as a separate Annexure III. The Company has constituted CSR committee the details of which are given in Corporate Governance Report and also a CSR policy is formulated which is uploaded on the website of the Company: <http://www.weizmann.co.in/csr.html>.

#### 20. ESTABLISHMENT OF VIGIL MECHANISM

The company has in place a vigil mechanism pursuant to which a Whistle Blower Policy is also in vogue. The Whistle Blower Policy covering all employees and directors of the Company is hosted on the Company's website <http://www.weizmann.co.in/wbp.html>.

#### 21. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of report.

#### 22. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

No significant or material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

#### 23. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS

The Company has an internal control system commensurate with the size, scale and nature of its operation. The internal controls ensure that all its assets are properly safeguarded and protected against loss from unauthorized use or disposal, all transactions are authorized, recorded and reported correctly. The Company has also an internal audit system for periodical audit of the internal control systems of the company.

#### 24. ISSUE OF NEW EQUITY SHARES DURING THE YEAR

The Company has not issued any new equity shares during the year.

#### 25. STATUTORY AUDITORS

M/s. Batliboi & Purohit, Chartered Accountants (Firm Registration No: 101048W) were appointed as Statutory Auditors of your Company at the 30<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> August, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of this Report.

#### 26. SECRETARIAL AUDIT

Pursuant to requirement of Section 204 of the Companies Act, 2013, the Company had appointed Shri Martinho Ferraro – Practising Company Secretary (COP 5676) as Secretarial Auditor for financial year 2017-18 and whose report of 9<sup>th</sup> May, 2018 is attached as Annexure IV.

There are no adverse observation made by Secretarial Auditor.

#### 27. AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditor of the Company, in his audit report.

#### 28. CORPORATE GOVERNANCE

Your Company has complied with Corporate Governance requirement as Regulation 4(2) read with Chapter IV of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. A report on Corporate Governance is annexed as a separate Annexure V. Auditors Certificate confirming compliance of the Corporate Governance is appended to the Report on Corporate Governance.

#### 29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Listing Agreement with the Stock Exchanges is annexed as Annexure VI forming part of this report.

#### 30. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) Act, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year no complaints have been received.

#### 31. ACKNOWLEDGEMENT

Your Directors express their grateful appreciation for the assistance and co-operation received from Government Authorities, Bankers, Lending Institutions, Suppliers and Customers during the year under review. Your Directors place on record their appreciation for the committed services of the executives and staff of the Company.

For and on behalf of the Board

Place : Mumbai

Neelkamal V. Siraj

Date : 29<sup>th</sup> May, 2018

Vice Chairman & Managing Director

DIN : 00021986