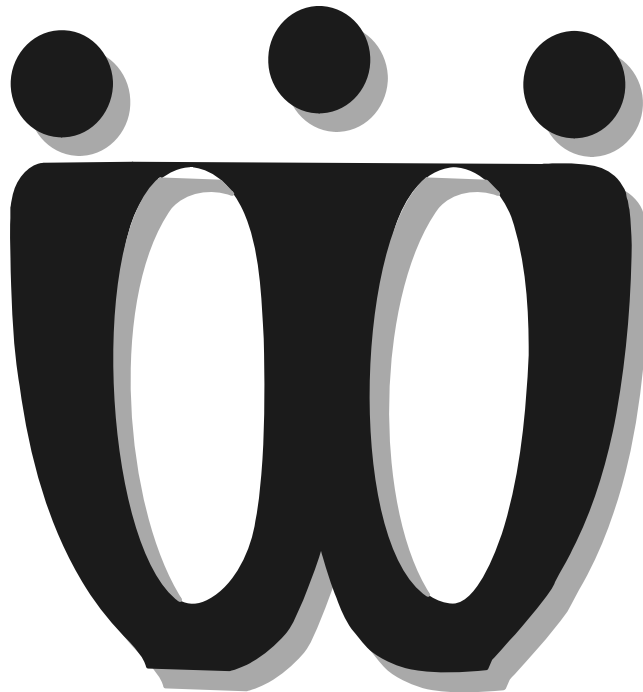


91st ANNUAL REPORT
2010 - 2011



WALCHAND
PEOPLEFIRST

WALCHAND PEOPLEFIRST LIMITED



DALE CARNEGIE®
TRAINING



PerformanSe
Man as direct participant in his own development



WALCHAND
DALE CARNEGIE
FINISHING SCHOOL

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

Mr. VIJAY GUPCHUP

COMPLIANCE OFFICER

Mr. VIVEK WADHAVKAR

AUDITORS

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

CHARTERED ACCOUNTANTS

BANKERS

STANDARD CHARTERED BANK

HDFC BANK LTD.

REGISTERED OFFICE

1, CONSTRUCTION HOUSE,

5, WALCHAND HIRACHAND MARG,

BALLARD ESTATE, MUMBAI- 400 001

TEL NO: 67818181

FAX: 22610574

Email: vivek@walchandgroup.com

Website : www.walchandpeoplefirst.com

REGISTRAR & TRANSFER AGENT

M/s. COMPUTECH SHARECAP LIMITED

“COMPUTECH”, 147, MAHATMA GANDHI ROAD,

FORT, MUMBAI – 400 023

TEL : 22635001 /5002

FAX: 22635005

E-MAIL : helpdesk@compu-techsharecap.com

INFORMATION FOR SHAREHOLDERS

91ST ANNUAL GENERAL MEETING

DATE : 28-07-2011 (Thursday)
TIME : 3.00 P.M.
VENUE : WALCHAND HIRACHAND HALL
INDIAN MERCHANT CHAMBERS,
IMC MARG, CHURCHGATE,
MUMBAI - 400 020.
DATE OF BOOK : July 21, 2011 to July 28, 2011
CLOSURE (BOTH DAYS INCLUSIVE)

CONTENTS	PAGE NO.
NOTICE	1
DIRECTORS' REPORT	11
CORPORATE GOVERNANCE REPORT	17
AUDITORS REPORT	28
BALANCE SHEET	31
PROFIT & LOSS ACCOUNT	32
SCHEDULES TO ACCOUNTS	33
CASH FLOW STATEMENT	51
ADDITIONAL INFORMATION UNDER PART IV OF SCHEDULE VI	52
ATTENDANCE SLIP AND FORM OF PROXY	

NOTICE

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninety-First Annual General Meeting of WALCHAND PEOPLEFIRST LIMITED will be held at Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020 on Thursday, July 28, 2011 at 3.00 P.M. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011, 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. V. K. Verma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Pallavi Jha, who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT 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 the 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.”

Special Business

5. To consider and if thought fit, to pass the following resolution with or without modification(s) as **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Section 16 and 94 and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) as altered from time to time including the rules and regulations made thereunder and the provisions of Article 69 of the Articles of Association of the Company and subject to the necessary approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, consent of the members of the Company be and is hereby accorded to sub-divide the equity shares of the Company, including the paid-up shares, such that each existing 1 Equity share of the Company of the face value of Rs. 100/- (Rupees Hundred Only) each be sub-divided into 10 Equity shares of the face value of Rs. 10/- (Rupees Ten Only) each and accordingly the existing Authorised Share Capital of the Company of Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) shall comprise of 2,30,00,000 (Two Crore Thirty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- (Rupees Hundred Only) each and that the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following new clause-
“V. The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,30,00,000 (Two Crore Thirty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- (Rupees Hundred Only) each,

with such rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to classify and re-classify such shares into several class or classes and attach thereto respectively such preferential, deferred, qualified, or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company or legislative provisions for the time being in force on that behalf and to vary, modify, restrict or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

“RESOLVED FURTHER THAT Ms. Pallavi Jha, Chairperson & Managing Director and Mr. Sanjay Jha, Whole-time Director of the Company be and are hereby jointly and severally authorised to fix the record date in accordance with the provisions of the Listing Agreement, to issue new share certificates representing the sub-divided equity shares with new distinctive numbers consequent upon the sub-division of shares as aforesaid and/or credit the shareholders' accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960, and the Articles of Association of the Company and to inform the Depositories and the Registrar & Transfer Agents of the Company, and such other authorities and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board or to any Committee thereof or to any Director(s) or any other officer(s) of the Company and to do all the things, deeds and acts as necessary and incidental to give effect to this resolution.”

6. To consider and if thought fit, to pass the following resolution with or without modification(s) as **Special Resolution**:
“RESOLVED THAT pursuant to Section 31 of the Companies Act, 1956, the existing Clause 4 of the Articles of Association of the Company be and is hereby substituted by the following new clause-
“The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may from time to time, be provided in Clause V of the Memorandum of Association with power to increase the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law”.
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED THAT in supersession of the resolution passed by the Members at the 90th Annual General Meeting of the Company held on August 30, 2010 and pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said

Act, pursuant to the Articles of Association of the Company and subject to the approval of the Shareholders of the Company by way of the Special Resolution and the Central Government and such other approvals as may be necessary and as recommended and approved by the Remuneration Committee, the Board of Directors hereby approves the re-appointment of Ms. Pallavi Jha, as Managing Director of the Company with effect from April 01, 2011 on the fresh terms & conditions including remuneration as are set out at clauses A to F below:

A. Period of Appointment : 01.04.2011 to 31.03.2014 (3 years)

B. Salary : Rs. 24, 00,000 /- (*Rupees Twenty Four Lacs Only*) per annum. Increment upto 20% per annum as may be decided by the Board of Directors / Remuneration Committee.

C. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 10 lacs per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for herself and her family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

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

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

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

D. Commission/ Performance Pay

Such amount for each financial year as may be decided by the Board, subject to the maximum of 6 months salary.

E. Minimum Remuneration:

Where in any financial year during the currency of her tenure as a Managing Director, the Company has no profits or its profits are inadequate, Ms. Pallavi Jha shall be entitled to receive above remuneration including perquisites, commission / performance pay, etc. as minimum remuneration.

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

RESOLVED FURTHER THAT the resolution passed at the Annual General Meeting held on August 30, 2010 intended to be superseded hereby shall cease to have effect from 1st April, 2011.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said Act, till the approval of the Central Government is received, the Managing Director- Ms. Pallavi Jha shall be entitled to receive the remuneration on the terms and conditions set out at clauses G to K below:

G. Salary:

Rs.21,00,000/- (Rupees Twenty One Lacs only) per annum. Increment – as may be decided by the Board of Directors /Remuneration Committee of Directors, from time to time.

H. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 9lacs per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for herself and her family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

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

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

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

I. Commission

Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. K.

J. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

K. Minimum Remuneration:

Notwithstanding anything hereinabove, where in any financial year during the currency of her tenure as a Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisite as above subject to the ceiling specified under Section II of Part II of the Schedule XIII to the Companies Act, 1956.

"RESOLVED FURTHER THAT on receipt of the approval of the Central Government the amount of remuneration on the terms mentioned in clauses A to F above, as approved by the Central Government for the period

from 1st April, 2011 till the date of the receipt of the approval as reduced by the Remuneration already paid to the Managing Director on the terms mentioned in clauses G to K above for the said period, be paid to Ms. Pallavi Jha, the Managing Director in lump sum and that after the date of the approval, Ms. Pallavi Jha shall be paid the remuneration as per the terms and conditions approved by the Central Government. RESOLVED FURTHER THAT the terms and conditions of the above appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with the Companies Act, 1956 and as may be agreed to by the Managing Director. RESOLVED FURTHER THAT Ms. Pallavi Jha, being a Director liable to retire by rotation, her re-appointment as such Director shall not be deemed to constitute a break in her appointment as Managing Director. RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required under the Companies Act, 1956."

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

"RESOLVED THAT in supersession of the resolution passed by the Members at the 90th Annual General Meeting of the Company held on August 30, 2010 and pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said Act, pursuant to the Articles of Association of the Company and subject to the approval of the Shareholders of the Company by way of the Special Resolution and the Central Government and such other approvals as may be necessary and as recommended and approved by the Remuneration Committee, the Board of Directors hereby approves the re-appointment of Mr. Sanjay Jha, as Whole Time Director of the Company with effect from April 01, 2011 on the fresh terms & conditions including remuneration as are set out at clauses A to F below:

A. Period of Appointment : 01.04.2011 to 31.03.2014 (3 years)

B. Salary : Rs. 23,00,000/- (Rupees Twenty Three Lacs Only) per annum.
Increment upto 20% per annum as may be decided by the Board of Directors / Remuneration Committee.

C. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 10 lacs per annum, which will include reimbursement of expenditure or allowances in respect of repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance

premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent members and dependent children of the Whole Time Director, as mentioned in the applicable Rules or Schemes. The following shall not be included for the purpose of computation of the Whole Time Director's remuneration or perquisites as aforesaid:

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.

Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

D. Commission/ Performance Pay

Such amount for each financial year as may be decided by the Board, subject to the maximum of 6 months salary.

E. Minimum Remuneration:

Where in any financial year during the currency of his tenure as a Whole Time Director, the Company has no profits or its profits are inadequate, Mr. Sanjay Jha shall be entitled to receive above remuneration including perquisites, commission / performance pay, etc. as minimum remuneration.

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

RESOLVED FURTHER THAT the resolution passed at the Annual General Meeting held on August 30, 2010 intended to be superseded hereby shall cease to have effect from 1st April, 2011.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said Act, till the approval of the Central Government is received, the Whole Time Director-Mr. Sanjay Jha shall be entitled to receive the remuneration on the terms and conditions set out at clauses G to K below:

G. Salary :

Rs.21,00,000/- (Rupees Twenty One Lacs only) per annum.
Increment – as may be decided by the Board of Directors / Remuneration Committee of Directors, from time to time.

H. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 9 lacs per annum, which will include reimbursement of expenditure or allowances in respect of repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family,

fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent unmarried sister and dependent children of the Whole Time Director, as mentioned in the applicable Rules or Schemes.

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

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

I. Commission

Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. K.

- J.** The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

K. Minimum Remuneration:

Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisite as above subject to the ceiling specified under Section II of Part II of the Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT on receipt of the approval of the Central Government the amount of remuneration on the terms mentioned in clauses A to F above, as approved by the Central Government for the period from 1st April, 2011 till the date of the receipt of the approval as reduced by the remuneration already paid to the Whole Time Director on the terms mentioned in clauses G to K above for the said period, be paid to Mr. Sanjay Jha, the Whole Time Director in lump sum and that after the date of the approval, Mr. Sanjay Jha shall be paid the remuneration as per the terms and conditions approved by the Central Government.

RESOLVED FURTHER THAT the terms and conditions of the above appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Whole Time Director in accordance with the Companies Act, 1956 and as may be agreed to by the Whole Time Director.

RESOLVED FURTHER THAT Mr. Sanjay Jha, being a Director liable to retire by rotation, his re-appointment as such Director shall not be deemed to constitute a break in his appointment as Whole Time Director.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee

thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required under the Companies Act, 1956."

By order of the Board

Pallavi Jha

Chairperson & Managing Director

Place : Mumbai

Date : May 10, 2011

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. An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting in annexed hereto.
3. Members /Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
5. 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.
6. The Register of Members and Share Transfer Books of the Company will remain closed from July 21, 2011 to July 28, 2011 (both days inclusive) for the purpose of Annual General Meeting .
7. 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.
8. 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 Annual General Meeting.
9. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be compiled in advance.
10. 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.
11. Members are requested to bring their copy of Annual Report to the Meeting.
12. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.30 A. M. and 1.00 P.M. on all working days up to the date of the Meeting.
13. 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.
14. Member are requested to address all correspondences, including dividend matters, to the Registrar & 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.
15. 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 205 C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

16. The following are the details of dividend paid by the Company and its respective due date of transfer to such fund of the Central Government, which remain unpaid:

Sr. No.	Date of Declaration	Dividend for the year	Due date of transfer to the Government
1	30 th January, 2006	Interim Dividend 2005-06	01 st March, 2013
2	31 st August, 2006	Final Dividend 2005-06	30 th September, 2013
3	27 th July, 2007	Final Dividend 2006-07	26 th August, 2014
4	30 th September, 2008	Final Dividend 2007-08	29 th October, 2015

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 the entire unclaimed dividend warrants to the Registrar & 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.

17. 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 31st March, 2011 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

18. 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.
19. 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.
20. 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 10, 2011

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 5 & 6:

The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE). The shares are actively traded on BSE. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ("the Board") at its meeting held on May 10, 2011, considered it desirable to sub-divide the nominal value of the equity shares of the Company from Rs.100/- per share to Rs. 10/- per share. Article 69 of the Articles of Association of the Company permits the said sub-division.

In view of the foregoing, the existing Capital Clause V of the Memorandum of Association and Clause 4 of the Articles of Association are required to be altered in order to give effect to the sub-division. Presently, the authorised share capital of the Company stands at Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 23,00,000/- (Twenty Three Lacs) Equity shares of Rs. 100/- each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- each. Subsequent upon the sub-division, the Authorized Share Capital of the Company would be Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,30,00,000/- (Two Crore Thirty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- each. Further, the Board is of the opinion that it is more appropriate to state the particulars of the Authorized Share Capital in the Memorandum of Association and the Company's power to modify the Authorised Share Capital and attached rights thereto should be stated in the Articles of Association. As a result of this, when the Authorised Share Capital of the company is altered, only the Memorandum of Association would be required to be altered and not the Articles of Association.

The aforesaid sub-division and consequent alterations in the Memorandum & Articles of Association require the approval of the Shareholders under the provisions of the Companies Act, 1956. The Board accordingly recommends the resolutions to be passed as ordinary resolution and special resolution set out at item no. 5 & 6 of the accompanying notice respectively. Your approval is sought for the same.

After the resolutions have been adopted by the members, the Company will fix a record date for splitting the share certificates. Upon approval of the members for sub-division of shares, in case the shares are held in physical, the old share certificates of the face value of Rs. 100/- each will be cancelled on the record date and new share certificates of face value of Rs. 10/- each will be issued in place of the old share certificate. In case the shares are in dematerialized form on the record date, the sub-divided shares of Rs. 10/- each will be directly credited to the members demat account in lieu of their existing shares of Rs. 100/- each.

None of the Directors of the Company is interested in the aforesaid resolutions except to the extent of their respective shareholdings in the Company and shareholdings in the Company of their relatives and/or concerns/companies/bodies corporate in which they may be interested directly either as a member/s and /or as a Director/s and/or otherwise.

Item No. 7 & 8:

At the 90th Annual General Meeting held on August 30, 2010, members of the Company approved the re-appointment of Ms. Pallavi Jha as Managing Director for a period of 3 years with

effect from 26.7.2010. The members also approved the re-appointment of Mr. Sanjay Jha as Whole-Time Director for a period of 3 years with effect from 27.07.2010.

The Remuneration Committee of the Company's Board of Directors reviewed the remuneration packages of the Managing Director and Whole Time Director of the Company with a view to align such package with the best practices prevailing in the corporate world and in the Training and Development Sector globally. The Remuneration Committee decided to revise the terms and conditions of the re-appointment of the Managing Director and the Whole Time Director. In view of such revision, the Company proposes that the existing contract of re-appointment of the Managing Director and the Whole Time Director, as approved by the resolutions passed in 90th AGM, expiring in July 2013, be mutually terminated and the Managing Director and the Whole Time Director be re-appointed for a fresh term of 3 years from April 1, 2011 on the terms set out in the special resolution proposed at Item no. 7 and 8 of the accompanying notice.

The principal terms of the revision are:

	Particulars	Proposed Rs in Lacs (per annum)	Existing Rs in Lacs (per annum)
	Chairperson and Managing Director		
A	Salary	24.00	21.00
B	Perquisites	10.00	9.00
C	Commission	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below
D	Total limits	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits approved by the Central Government.	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.
	Whole- Time Director		
A	Salary	23.00	21.00
B	Perquisites	10.00	9.00
C	Commission	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below
D	Total limits	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits approved by the Central Government.	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

The Remuneration Committee comprising of independent Directors namely Dr. S. C. Jha, Mr. M.N. Bhagwat and Mr. V. K. Verma, approved and recommended the remuneration as set out in the body of the resolution which the Board has agreed to offer by its resolution dated 10.05.2011. The remuneration proposed is in accordance with Section 198, 269, 309, 310 and 311 of the Companies Act, 1956 except that it exceeds the

limits specified in schedule XIII to the Companies Act, 1956 for which the prior approval of the Central Government is required under the provisions of the Companies Act, 1956. Further on passing of the resolutions set out in the accompanying Notice at item no. 7 & 8, the resolutions passed by the Members at the Annual General Meeting held on August 30, 2010 for re-appointment of Managing Director and Whole Time Director, aforesaid will cease to have effect from 1st April, 2011. It is clarified that during the period pending the approval of the Central Government, the Managing Director and the Whole Time Director shall be entitled to receive the remuneration on the terms and conditions, set out at clauses G to K of the respective resolutions in the accompanying Notice, which are in accordance with Schedule XIII to the Act. On receipt of the approval of the Central Government the amount of remuneration on the terms mentioned in clauses A to F of the respective resolutions in the accompanying Notice, as approved by the Central Government for the period from 1st April, 2011 till the date of the receipt of the approval of the Central Government, as reduced by the amount of Remuneration already paid to the Managing Director and the Whole Time Director on the terms mentioned in said clauses G to K above for the said period, shall be paid to the Managing Director and the Whole Time Director, respectively in lump sum and that after the date of the approval, they shall be paid the remuneration as per the terms and conditions approved by the Central Government.

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

The aforesaid revisions in the terms of re-appointment of Ms. Pallavi Jha as Managing Director and Mr. Sanjay Jha as Whole Time Director, requires the approval of the Shareholders under Section 269, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII to the Act. The Board accordingly recommends the resolutions to be passed as special resolution, set out at item no. 7 & 8 of the accompanying notice. Your approval is sought for the same.

Ms. Pallavi Jha and Mr. Sanjay Jha are interested in the resolutions as it pertains to re-appointment of Managing Director and re-appointment of Whole time Director respectively at Item No. 7 and 8 and remuneration payable to them. Mr. Sanjay Jha, being husband of Ms. Pallavi Jha is deemed to be concerned or interested in the resolution at item no. 7. Ms. Pallavi Jha, being wife of Mr. Sanjay Jha is deemed to be concerned or interested in the resolution at item no. 8. None of the other Directors of the Company is in any way concerned or interested in this resolution.

This explanation together with the notice is and should be treated as abstract of the terms of re-appointment of Ms. Pallavi Jha as Managing Director of the Company and re-appointment of Mr. Sanjay Jha as Whole time Director of the Company and a Memorandum as to the nature of the concern or interest of the Directors in the said re-appointments, as required under Section 302 of the Companies Act, 1956.

Information required on the matter pursuant to Section II, Part II of Schedule XIII to the Act and Clause 49 - IV (G) of the Listing Agreement is given at **Annexure 2**.

By order of the Board

Pallavi Jha
Chairperson & Managing Director

Place : Mumbai
Date : May 10, 2011

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

Annexure 1
INFORMATION UNDER CLAUSE 49 OF THE LISTING
AGREEMENT RELATING TO DIRECTORS RETIRING
BY ROTATION AND SEEKING RE-APPOINTMENT:

Mr. V. K. Verma

V.K. Verma is a veteran in the HR field contributing over three and a half decades in seeking creative and homegrown solutions to complex issues in order to see organizations excel.

A B.E. in Electrical Engg and a Post Graduate in Business Management from XLRI, Jamshedpur, V.K. Verma as Head of Corporate HR at Tata Motors, had been instrumental in the restructuring of its workforce and the turnaround thereafter of the organization, a feat that has been included as a case study in IIM, Ahmadabad.

He has also been associated with CII's Training Committee at the National level for well over a decade and was Chairman of the Training Committee of CII at the Regional level. He represented Tata Motors on the Society of IIM (Ahmadabad). He was also a member of the advisory Committee of Maharashtra Government's Welfare Board. He continues to be a visiting faculty to several Management institutes.

He is amongst the select few HR professionals in India to have established Talent Management System with fast track options using Assessment & Development Center Technologies.

He was selected as Business Today's Growth Managers in 2003 featuring in the magazine's cover story. He was also conferred the Super Achiever Award 2003 by the Indira Group of Institutes, Pune.

Besides being an Independent Director on the Board of Walchand PeopleFirst Ltd., he has been on the Board of a couple of the subsidiary companies of Tata Motors. Currently, he is associated with the Group HR of Tata Sons and assists them in Organization Design & Development Projects in various Companies of the Tata Group.

Disclosure Pursuant to Clause 49 (IV) (E) (V) of the Listing Agreement: Shareholding of Mr. V. K. Verma (both own or held by / for other persons on a beneficial basis) as on May 10, 2011 is Nil.

Ms. Pallavi Jha

Pallavi Jha is the Chairperson & Managing Director of Walchand PeopleFirst Ltd., a public company listed with BSE. Walchand PeopleFirst has international partnerships with some of the world's leading firms and brands such as Dale Carnegie, USA (training), and PerformanSe, France (Assessments).

Pallavi has diversified exposure to various management practices in areas such as training and development, HR, consulting and business restructuring, and lobbying, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry.

She has been a vocal spokesperson for industry associations, and has chaired and moderated panel discussions involving India's leading business leaders. She has played a pioneering role in setting up India's first Finishing School focused on soft-skills training, the missing ingredient in the talent development and employability challenge confronting Indian industry. Additionally, she has been part of women's groups, which has encouraged first generation women entrepreneurs in taking business initiatives.

She has singularly led the India operations into the fastest growing region for Dale Carnegie Training, winning several global awards for service and sales excellence. She has been a keynote speaker and a panel member in various forums on business, HR, training and leadership. She has also been Chairperson of CII, Maharashtra Council.

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

Ms. Pallavi is an MBA from Syracuse University, New York and a graduate in humanities from St. Xavier's College, Mumbai.

Disclosure Pursuant to Clause 49 (IV) (E) (V) of the Listing Agreement: Not Applicable.

Annexure 2

INFORMATION / DISCLOSURE STATEMENT

Annexure to the Notice convening the 91st Annual General Meeting to be held on Thursday, July 28, 2011 pursuant to Section II, Part II of Schedule XIII of the Companies Act, 1956 (the Act) and Clause 49 - IV (G) of the Listing Agreement in respect of item no. 7 & 8 of the accompanying Notice pertaining to re-appointment of Managing Director and re-appointment of Whole time Director respectively and their remuneration.

I. GENERAL INFORMATION:

(1) Nature of Industry:

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

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

Not applicable as the Company is an existing Company.

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

Not applicable.

(4) Financial performance based on given indicators – as per audited financial results for the year ended March 31, 2011.

Particulars	2010-11
	Rs. in Lacs
Income from operations	1283.65
Other Income	133.47
Profit/(Loss) before interest, depreciation and taxation	173.77
Net Profit /(Loss)	82.62
Profit as computed under Section 309 (5) read with Section 198 of the Companies Act, 1956.	82.62

(5) Export performance and net foreign exchange collaborations for the year ended March 31, 2011:

During the year, the Company utilized foreign exchange amounting to Rs. 127.49 lacs and earned foreign exchange amounting to Rs NIL

(6) Foreign investment or collaborations, if any:

The Company is a franchisee of Dale Carnegie Associates in India and offers the training programs and courses through its trained and certified faculty.

II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details:

Ms. Pallavi Jha:

Pallavi Jha is the Chairperson & Managing Director of Walchand PeopleFirst Ltd., a public company listed with BSE. Walchand PeopleFirst has international partnerships with some of the world's leading firms and brands such as Dale Carnegie, USA (training), and PerformanSe, France (Assessments).

Pallavi has diversified exposure to various management practices in areas such as training and development, HR, consulting and business restructuring, and lobbying, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry.

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

soft -skills training, the missing ingredient in the talent development and employability challenge confronting Indian industry. Additionally, she has been part of women's groups, which has encouraged first generation women entrepreneurs in taking business initiatives.

She has singularly led the India operations into the fastest growing region for Dale Carnegie Training, winning several global awards for service and sales excellence. She has been a keynote speaker and a panel member in various forums on business, HR, training and leadership. She has also been Chairperson of CII, Maharashtra Council.

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

Ms. Pallavi is an MBA from Syracuse University, New York and a graduate in humanities from St. Xavier's College, Mumbai.

Mr. Sanjay Jha:

Mr. Sanjay Jha joined the Board as a Director of the Company on September 23, 1999. Mr. Jha, aged 50 years, is an MBA from XLRI (Jamshedpur), holds postgraduate degree in Economics from Gokhale Institute of Politics & Economics, University of Pune and has done his graduation in Economics with distinction from Fergusson College. In his prior assignment Mr. Jha was Senior Vice President with ITC-Thread needle AMC Limited (a subsidiary of BAT, plc) in charge of Marketing & Sales. Prior to that he was Vice President, Alliance Capital, New York (USA), Assistant Vice President, Bank of America and Senior Manager (Marketing) with ANZ Grindlays Bank Plc. He is the Founder of Cricketnext.com, a top global website on cricket. He is also Director of Walchand Netsoft Private Limited and the Director of Walchand & Company Private Limited.

He was also successful in launching the Top 200 Fund and the High Interest fund with Zurich Financial (earlier known as Threadneedle AMC Ltd.) wherein he was a Senior Vice President in charge of Marketing & Sales of mutual funds.

As a Vice President he had a successful career record at Alliance Capital, New York (USA), wherein he was responsible for launching, distribution, sales, marketing and advertising of offshore and local funds. He has also gained wide experience in both Corporate and Retail Banking while working as an Assistant Vice President to Bank of America and Senior Manager (Marketing) with ANZ Grindlays Bank Plc.

He is also known for conducting professional Management Development Programs in the areas of Marketing, Media Training, Internet Branding, Dot com Funding and Crisis Management and several other training programs on behavioral skills, management development, and corporate communications wherein the participants were from reputed Companies such as Bharat Petroleum, Philips India, ICICI, UTI, BSE, IDBI.

He is a regular columnist and contributor with several newspapers and magazines such as Business Standard, Business Today, Mid-Day, Indian Express etc. and a visiting faculty at several leading business schools including IIM, Sydhenam Management Institute, Symbiosis Institute of Business Management/ Mass Communications etc.

He has also written a book of poems titled, "When I Wondered About You." And "Eleven" book on cricket and appeared as an expert commentator on various issues on various TV Channels.

(2) Past remuneration:

Particulars	During the	During the
	year ended	year ended
	March 31, 2011	March 31, 2010
Chairperson and Managing Director	Rs in Lacs	Rs in Lacs
Salary	21.00	24.00
Contribution to Provident Fund	2.52	2.88
Perquisites	9.00	5.17
Contribution to Superannuation Fund	3.15	3.12
Gratuity	1.01	1.05
Total	36.68	36.32
Whole- Time Director	Rs in Lacs	Rs in Lacs
Salary	21.00	24.00
Perquisites	9.00	5.25
Contribution to Provident Fund	2.52	2.88
Contribution to Superannuation Fund	3.15	3.12
Gratuity	1.01	1.15
Total	36.68	36.40

(3) Recognition or awards during the year :-

Ms. Pallavi Jha: Nil

Mr. Sanjay Jha: Nil

(4) Job profile and their suitability:-

Ms. Pallavi Jha

Same as above in Para II (1)

Mr. Sanjay Jha

Same as above in Para II (1)

(5) Remuneration proposed:

Ms. Pallavi Jha

Same as mentioned in body of Resolution at Item No. 7

Mr. Sanjay Jha

Same as mentioned in body of Resolution at Item No. 8

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

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

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

Ms. Pallavi Jha:

Ms. Pallavi Jha is interested in the resolution as it pertains to her re-appointment and remuneration payable to her. Mr. Sanjay Jha, being husband is deemed to be concerned or interested in the resolution at item no. 7. Shareholding of Ms. Pallavi Jha as on May 10, 2011 holds 162 equity shares of Rs. 100/- each (0.06 per cent of the paid - up capital) and 6104 equity shares of Rs. 100/- each as a trustee (2.14 per cent of the paid - up capital) in the Company in her name as a beneficial owner. None of the other Directors of the Company is in any way concerned or interested in this resolution.

Mr. Sanjay Jha

Mr. Sanjay Jha is interested in the resolution as it pertains to his appointment and remuneration payable to him. Ms. Pallavi Jha, being his wife is deemed to be concerned or interested in the resolution at item no. 8. None of the other Directors of the Company is in any way concerned or interested in this resolution.

(III) OTHER INFORMATION:-

(1) Reasons for inadequate profits:

The Company has earned the net profit of Rs. 82.62 lacs during the financial year ended 31st March 2011. The Company has reported a significant turnaround in its financial performance with a net profit of Rs. 82.62 lacs, approximately 164% growth over last year. This has been achieved on account of improvement in business confidence and increased expenditure on Training & Development by industry. The Company has also brought in significant cost efficiency during the year. The full benefits of the same were not gained during the financial year 2010-11, which will reap results in the coming year and beyond.

(2) Steps taken for improvement and expected increase in productivity and profits in measurable terms:

Indian Industry is expected to grow over the coming years. The focus is on cost rationalization, enhancing the productivity per employee, sound business strategies to bring in business/revenue growth resulting in increase in profitability. Training needs for soft skills like leadership, communication, team-work, negotiations, interpersonal skills, etc., are growing. The Company has shown 165% improvement in its profitability over the last year. It expects the strong trend in performance to continue.

(IV) NAMES OF COMPANIES IN WHICH THE PERSON ALSO HOLDS THE DIRECTORSHIP AND THE MEMBERSHIP OF COMMITTEES OF THE BOARD:

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

DIRECTORS' REPORT

The Members of
WALCHAND PEOPLEFIRST LIMITED

Your Directors present herewith the 91st Annual Report together with the Audited Statement of Accounts and Auditors' Report thereon for the Financial Year ended March 31, 2011.

1. **FINANCIAL RESULTS**

	(Rs. in Lacs)	
	Financial Year ended 31.03.2011	Financial Year ended 31.03.2010
Profit before interest, depreciation and taxation	173.78	14.53
Less: Interest	40.10	36.35
Less: Depreciation/Amortisation	51.41	54.08
Less: Provision for Taxation - Current / earlier years	18.06	3.45
Less: Deferred Tax recognized	(3.37)	48.49
Add: MAT Credit	15.04	- (142.37)
Net Profit	82.62	(127.84)
Add: Balance brought forward	83.26	1369.00
Add/ Less: Adjustments to General Reserves	8.48	(1157.90)
Amount available for appropriation	174.36	83.26
Final Dividend	0.00	0.00
Dividend Tax	0.00	0.00
Balance carried to Balance Sheet	174.36	83.26
Total	174.36	83.26

2. **DIVIDEND**

Your Directors have decided not to recommend any dividend for the year ended March 31, 2011.

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):

(Rs. in Lacs)

(a) EXPENDITURE IN FOREIGN CURRENCY	Financial Year ended 31.03.2011	Financial Year ended 31.03.2010
Professional Fees/ Franchise Fee	NIL	NIL
Royalty Remitted	120.83	154.42
Traveling Expenses	6.17	1.07
Others	0.49	0.10
(b) EARNING IN FOREIGN CURRENCY	NIL	NIL

4. **MANAGEMENT DISCUSSION AND ANALYSIS**

Industry Structure & Analysis

The Indian economy grew at 8.6% in fiscal 2010, the fastest in three years, on the back of a sharp recovery in farm output. Manufacturing and services sectors have registered impressive gains during the year. Savings and investments are looking up while exports are rising. Overall the medium term prospects to fiscal consolidation look bright.

India takes pride in its demographic dividend and the people-factor has propelled India into a new opportunity landscape, thus creating a niche for itself in Knowledge Services. The population issue, which has been viewed mostly as a burden until now, is now being seen as a positive parameter, if we can find a smart way of turning this to our advantage. According to a BCG Report, in 2020, when most countries in the world would have a shortage of talent, India will have surplus talent accounting for the highest number i.e 47 million. The moot point is, how is India going to be able to take advantage of this surplus and service the global shortage for talent. The answer lies in making such resources equipped with skills that are in short supply today and are likely to be in demand in the next decade. In order to make the resources employable, systematic planning and implementation involving various agencies and building a whole new eco system to support this would be essential.

Skill Development is a significant factor of human capital formation to ensure that the country's demographic dividend is not replaced by a demographic deficit. Primacy to skill development is critical for creating a long-term sustainable growth engine for our country.

India is the third largest country in terms of graduates passing each year – 20,677 colleges, 416 universities and 11.6 millions students were enrolled in 2007 -08, of which about 3.5 million students graduate every year. But only around 10-25 percent of graduates meet the requirements for organized sector jobs. Of the current total workforce, 40 percent is illiterate and another 40 percent constitutes schools dropouts. A little more than half the workforce of almost 500 million find their livelihood in farming.

For the rest, almost 90 percent of jobs available require some level of skills while 9 percent are knowledge-based and 1 percent is a combination of both knowledge and skills.

There is a significant gap in what our education system prepares to do and what organizations and ultimately customers want. Currently, much of this is also being addressed by companies directly as they have to successfully get their human resources to deliver business results.

What is also interesting is to take a look at the sectoral employment status in India over the years. The slant is now towards manufacturing and service sectors with the share of agriculture dwindling. This clearly highlights the urgent need for creating a robust skilling framework - one that would enable the youth, which will enter the workforce

to become employable and more productive.

As far as requirements of the service sector are concerned, the education system is not geared to anticipate and proactively address them in time, leaving a yawning gap between supply and demand. This gap has been seen in almost every sector of the service industry – be it IT, ITES, Retail or Hospitality. Organizations have had to incur huge amounts of money in repair and rework on already trained / educated resources once they are brought into the fold of the corporate sector thus delaying their productive contribution towards economic value creation. Further, in many industries, due to limited availability of talent pool, it leads to attrition and increase in compensation, thus adding to the costs of operations.

India with its increasing youth population (currently 69 percent of the population are between 16 and 29 years) has an unprecedented opportunity to accelerate growth and reduce poverty. However, to harness this opportunity, it is necessary to build human capital across all levels of education and skill development.

Opportunities & Challenges

The training industry in India has evolved significantly in the past 7 years. As per industry estimates, the total market-size is around Rs.11000 crores. Of this, the soft skills development market alone accounts for about Rs. 3000 crores.

The overall mindset to training has witnessed a paradigm shift. Training has evolved from being a feel-good, reward-centric system, to a performance-linked setup employing best practices and challenging benchmarks. The over arching talent and skills shortage in today's workforce has made it to the top of the CEO's agenda. It is no longer just a concern within the HR domain but has reached a stage where it warrants a mainstream decision.

The overall industry scenario spells two clear streams for growth for your company. The first is in the large need for skilling and employability training for young students through the Finishing School and supporting the growing trends in recruitment and talent acquisition for companies. The second significant opportunity is to support the corporate sector in managing attrition and enhancing retention and growth of their workforce through strong professional development initiatives.

Today's business environment poses its unique challenges on people management. Business growth in India is much higher than the organizational capability for growth and hence companies need to bridge the gap through external service providers. Efficiency in managing people processes is also becoming significant, and therefore attracting more attention and investment. Today, HR spending has the CEO's and CFO's attention and organizations are striving to find the right partners that will help them in this rapid growth phase.

An integrated approach to talent management and development has become a strategic component of any business regardless of the industry it belongs to. Talent challenges are manifold

and there is an increasing cost implication in finding and hiring talent, putting most businesses, especially the people-intensive ones, under pressure. The solution lies not in recruitment alone, where our Finishing School services enhance our clients success in this area, but in an integrated strategy for recruitment, development and performance management to ensure that the talent pipeline can support business growth. Client organizations seek flexible business solutions to address these issues in a dynamic world. Your company's experience in providing end-to-end, customized solutions for talent management and development is our competitive advantage in the industry.

Overall the growth opportunities are well-defined and clear. Our approach is to consolidate on our strategic path to be able to service the market needs better than our competition. We will need to maintain our agility and innovation will be key to providing effective solutions to our client organizations.

The challenges will come in the form of building and maintaining our own talent pipeline and service quality as we expand to meet the burgeoning need. Also as more and more players are attracted into this industry, pricing pressures will build with market competitiveness. Our challenge will be to continuously evaluate our cost models and ensure that we keep improving our productivities.

Outlook, Risks & Control

Acknowledging severe inflation threats, the Reserve Bank of India in its annual policy review pegged the real GDP growth rate for 2011-12 at 8% - down from the estimated 8.6% growth in 2010-11. This is almost 1 percentage point lower than the government estimate of 9%. RBI said most business confidence surveys conducted by various agencies show a decline in business confidence. The pace of industrial activity has been slowing mainly due to the impact of past monetary policy actions and high input prices. Sections of the industry will hurt and consumers, who have borrowed to finance purchases, too, will feel the pinch of a tighter monetary policy. Hence while the medium term outlook is good, the outlook for the fiscal year 2011-12 is cautious.

Yet your company has recovered well from the economic slowdown and has already brought in cost efficiencies that have resulted in a significant turnaround in its financial performance for the year. During the year the management has also re-organized its market strategies to build more stable strategic and long term client partnerships. With the more robust organization structure the company is expected to have a positive outlook in both the short and medium term.

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/- 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. 500,000/-. 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. 116.39 lacs as compared to the last Financial Year's investment of Rs. 248.56 lacs.

The Book value of the quoted investments for the year under review was Rs. 23.40 lacs (previous year Rs. 23.40 lacs) and its market valuation was Rs. 15.21 lacs (previous year Rs. 16.54 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 31st March 2011. As at March 31, 2011, 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 year ended March 31, 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2011 and of the Profit of the Company for the said year;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets 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, 2011, on a going concern basis.

9. DIRECTORS

Ms. Poonam Barua, Director of the Company resigned from the Directorship of the Company with effect from May 10, 2011. Pursuant to Articles of Association of the Company and provisions of the Companies Act, 1956, Mr. V. K. Verma and Ms. Pallavi Jha 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 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 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 Clients, Vendors, Financial Institutions, Bankers, Business Associates and various Governmental, as well as Regulatory Agencies for their valuable support. 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 10, 2011

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: 250,000,000/-
Registration No. : 11- 000791
(31/03/2011)**

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, 2011**. 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 under the Act and the rules made there under.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met 5 times on **10/05/2010, 28/06/2010, 09/08/2010, 25/10/2010 and 31/01/2011** 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 August 23, 2010 to August 30, 2010 (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 **31/03/2010** was held on **30/08/2010** 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 Board of Directors has approved the issue of duplicate share certificates during the financial year.
13. i. The Company has delivered all the Certificates on allotment of Securities and on lodgment thereof for transfer/transmission in accordance with the provisions of the Act during the financial year.
ii. no dividend was declared during the financial year.
iii. The Company was not required to post warrants to any members of the Company as no dividend was declared during the financial year.
iv. The Company was not required to transfer any amount to Investor Education & Protection Fund.
v. The Company has duly-complied with the requirements of section 217 of the Act regarding Board's report.
14. The Board of Directors of the Company is duly constituted and the appointments of additional directors, alternate directors and directors to fill casual vacancy have been duly made.
15. The re-appointment of Managing Director and Whole Time Director has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company has obtained all necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such Authorities as prescribed under the various provisions of the Act during the financial year as detailed below:-

- i) Approval of the High Court to the scheme of Amalgamation.
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 issued 5,499 equity shares of Rs. 100/- each on 10/05/2010 pursuant to the scheme of Amalgamation. There was no issue of 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 or debentures during the financial year.
 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, 2011 are within the borrowing limits of the Company as laid down in Section 293 (1) (d) of the Act.
 25. The Company has made given guarantees to other bodies corporate in compliance with the provisions of Section 372 A of the Act and has necessary entries 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 altered provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny pursuant to the scheme of Amalgamation.
 30. The Company has altered its Articles of Association during the year under scrutiny pursuant to the scheme of Amalgamation.
 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 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.

Place : Mumbai
Date : May 10, 2011

SD/-
Name of Company Secretary
Pramod S. Shah
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, 2011**.

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.	Balance Sheet	220	31/03/2010	29/09/2010	Yes	N.A
2.	Annual Return	159	30/08/2010	29/10/2010	Yes	N.A
3.	Form 23	192 and 224	Appointment of M/s. K.S.Aiyar & Co, Chartered Accountants as the Statutory Auditors	25/09/2010 25/09/2010	Yes Yes	N.A N.A
4.	Form 23	192 and 269	Reappointment of Managing Director and WholeTime Director	25/09/2010	Yes	N.A
5.	Form 25 C	269 (2)	Reappointment of Ms. Pallavi Jha, as a Managing Director for further period of 3 (Three) years with effect from 26.07.2010.	04/10/2010	Yes	N.A
6.	Form 25 C	269 (2)	Reappointment of Mr. Sanjay Jha, as a Whole Time Director for further period of 3 (Three) years with effect from 27.07.2010.	04/10/2010	Yes	N.A
7.	Form 32	303	Resignation of Company Secretary	20/09/2010	Yes	N.A
8.	Form 21	391 to 394	Filing of the order pursuant to the scheme of Amalgamation	07/05/2010	Yes	N.A
9.	Form 2	75(1)	10/05/2010	07/06/2010	Yes	N.A
10.	Form 3	75(2)	10/05/2010	07/06/2010	Yes	N.A
11.	Form 23B	224(1A)	30/09/2009	08/06/2010	Yes	N.A
12.	Form 8	135	Modification of Charges on 28/12/2010	22/02/2011	No	Yes (Filed within 60 days)
13.	Form 32	303	Appointment of Mr. Rajeev Dubey as Director	07/06/2010	Yes	N.A
14.	Form 32	303	Appointment of Dr.. Vijay Gupchup as Director	23/06/2010	No	Yes

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2010-11

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

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.

Your Board of Directors presents the Corporate Governance Report for the year 2010-11.

2. **BOARD OF DIRECTORS**

a. **Size and Composition of Board**

The composition and category of Directors as on March 31, 2011 are 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	-	2	-	-
***Mr. M.N. Bhagwat	Independent Non-executive	3	-	-	1
**Dr. S.C. Jha	Independent Non-executive	-	-	-	-
Mr. V. K. Verma	Independent Non-executive	1	-	-	-
****Ms. Poonam Barua	Independent Non-executive	-	1	-	-
Mr. Vijay Gupchup	Independent Non-executive	3	1	-	-
Mr. Rajeev Dubey	Independent Non-executive	8	3	4	2

*Mr. Sanjay Jha – Re-appointed as a Director of the Company at the Annual General Meeting of the Company held on August 30, 2010 under Section 256 of the Companies Act, 1956.

** Dr. S. C. Jha – Re-appointed as an Independent Non-executive Director of the Company at the Annual General Meeting of the Company held on August 30, 2010 under Section 256 of the Companies Act, 1956.

*** Mr. M. N. Bhagwat - Re-appointed as an Independent Non-executive Director of the Company at the Annual General Meeting of the Company held on August 30, 2010 under Section 256 of the Companies Act, 1956.

**** Ms. Poonam Barua resigned with effect from May 10, 2011.

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

During the accounting year 2010-11, 5 Board Meetings were held on May 10, 2010, June 28, 2010, August 9, 2010, October 25, 2010 and January 31, 2011.

The Annual General Meeting of the Company for the financial year 2009-2010 was held on August 30, 2010.

Attendance at Board Meeting and last Annual General Meeting:-

Name of Directors	No. of Board Meetings attended	Attendance at last AGM
Ms. Pallavi Jha	5	Present
Mr. Sanjay Jha	5	Present
Mr. M.N. Bhagwat	5	Present
Dr. S.C. Jha	4	Absent
Mr. V.K.Verma	4	Present
Ms. Poonam Barua	2	Absent
Mr. V.N. Gupchup	4	Present
Mr. Rajeev Dubey	5	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 having Mr. Sanjay Jha, Whole-Time Director and Dr. S. C. Jha, Non-Executive Independent Director as Members and Mr. M.N. Bhagwat, Non-Executive Independent Director as Chairman of the Committee. Mr. V.K. Verma, Non-Executive Independent Director was appointed as a Member of the Audit Committee with effective from April 12, 2006 by passing a circular resolution, which was noted by the Board at their meeting, held on April 28, 2006.

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 2010-11, 5 Audit Committee Meetings were held on May 10, 2010, June 28, 2010, August 9, 2010, October 25, 2010 and January 31, 2011.

Name of Members	No. of Audit Committee Meetings attended
Mr. Sanjay Jha	5
Mr. M.N. Bhagwat	5
Dr. S.C. Jha	4
Mr. V.K.Verma	4

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 having Mr. M.N.Bhagwat, Non-executive Independent Director, Mr. Shailesh Haribhakti, Non-executive Independent Director as Members and Dr. S. C. Jha, Non-executive Independent Director as Chairman of the Committee.

Mr. Shailesh Haribhakti resigned from the Directorship at the Board meeting held on October 27, 2005 as a result he ceased to be a member of remuneration committee.

Mr. V. K. Verma, Non- Executive Independent Director of the Company was appointed as a member of the Remuneration Committee with effective from April 4, 2007 by passing a circular resolution, which was noted by the Board at their meeting, held on April 26, 2007.

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 2010-11, there were no meetings held during the year.

One Circular Resolution was passed by the Remuneration Committee for ratification of Managerial Remuneration paid to Ms. Pallavi Jha and Mr. Sanjay Jha for the period from April 2010 to July 2010, Re-appointment of Ms. Pallavi Jha as a Managing Director and Re-appointment of Mr. Sanjay Jha as a Whole-Time Director for a period of three years.

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, 2011 are as under:

Name Of Directors	Salary (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	21.00	6.68	9.00	0.00	36.68
Mr. Sanjay Jha	21.00	6.68	9.00	0.00	36.68
Mr. M.N. Bhagwat	-	-	-	0.50	0.50
Dr. S. C. Jha	-	-	-	0.40	0.40
Mr. V.K.Verma	-	-	-	0.40	0.40
Ms. Poonam Barua	-	-	-	0.20	0.20
Mr. V.N.Gupchup	-	-	-	0.40	0.40
Mr. Rajeev Dubey	-	-	-	0.50	0.50

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

5. **SHAREHOLDERS' GRIEVANCE COMMITTEE**

The Committee has the mandate to review, redress shareholders' grievances, 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 shareholders grievances and also the share transfers and other investor related matters. The Committee consisted of Mr. Sanjay Jha - Chairman and Ms. Pallavi Jha – Member till 19th January, 2009. As per the Provisions of the Clause 49(IV) (G) of the Listing Agreement a Non – Executive Director of the Company should be the Chairman of the Shareholders’ Grievance Committee. Hence, the Board of Directors in their Board Meeting dated 27th January, 2009 appointed Mr. V. K. Verma, a Non-Executive Director as the Chairman of the Shareholders’ Grievance Committee in place of Mr. Sanjay Jha. 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 2010-11, fourteen Shareholders’ Grievance Committee Meetings were held on 05/04/2010, 21/04/2010, 03/05/2010, 17/05/2010, 13/07/2010, 16/07/2010, 02/08/2010, 16/08/2010, 01/10/2010, 01/11/2010, 02/12/2010, 17/02/2011, 02/03/2011, 18/03/2011.

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	0
Non Receipt of Shares lodged for Transfer/Exchange	0
Non Receipt of Certificates	0
Others(Duplicate/Transmission/Procedure etc)	0
TOTAL	1

During the accounting year ended March 31, 2011, 1 complaint was received from shareholder, the same was resolved as of date. All valid share transfers received during the accounting year ended March 31, 2011 have been acted upon. There were no share transfers pending as on March 31, 2011, for more than 30 days.

The Shareholders Grievance Committee continued to function effectively and held fourteen 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 fourteen 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
2007-2008	Tuesday, September 30, 2008	Walchand Hirachand Hall, Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai – 400 020.	11.00 A.M.
2008- 2009	Wednesday, September 30, 2009	Walchand Hirachand Hall, Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai – 400 020.	11.00 A.M.
2009-2010	Monday, August 30, 2010	Walchand Hirachand Hall, Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai – 400 020.	11.30 A.M.

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

At the Annual General Meeting of the Shareholders held on August 30, 2010, Ms. Pallavi Jha was re-appointed as the Managing Director of the Company for a further period of 3 years with effect from July 26, 2010 and Mr. Sanjay Jha was re-appointed as the Whole Time Director of the Company for a further period of 3 years with effect from July 27, 2010.

7. DISCLOSURES

- The related party transactions as per Accounting Standard 18 is set out at note no. B - 3 of Schedule “P” 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 are 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 such of the Directors for the time being as 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. V. K. Verma and Ms. Pallavi Jha will be retiring by rotation at the ensuing Annual General Meeting of the Company. Mr. V. K. Verma and Ms. Pallavi Jha, being eligible, offer themselves for re-appointment.

Mr. V. K. Verma

V.K. Verma is a veteran in the HR field contributing over three and a half decades in seeking creative and homegrown solutions to complex issues in order to see organizations excel.

A B.E. in Electrical Engg and a Post Graduate in Business Management from XLRI, Jamshedpur, V.K. Verma as Head of Corporate HR at Tata Motors, had been instrumental in the restructuring of its workforce and the turnaround thereafter of the organization, a feat that has been included as a case study in IIM, Ahmadabad.

He has also been associated with CII's Training Committee at the National level for well over a decade and was Chairman of the Training Committee of CII at the Regional level. He represented Tata Motors on the Society of IIM (Ahmadabad). He was also a member of the advisory Committee of Maharashtra Government's Welfare Board. He continues to be a visiting faculty to several Management institutes.

He is amongst the select few HR professionals in India to have established Talent Management System with fast track options using Assessment & Development Center Technologies.

He was selected as Business Today's Growth Managers in 2003 featuring in the magazine's cover story. He was also conferred the Super Achiever Award 2003 by the Indra Group of Institutes, Pune.

Besides being an Independent Director on the Board of Walchand PeopleFirst Ltd., he has been on the Board of a couple of the subsidiary companies of Tata Motors. Currently, he is associated with the Group HR of Tata Sons and assists them in Organization Design & Development Projects in various Companies of the Tata Group.

Ms. Pallavi Jha

Pallavi Jha is the Chairperson & Managing Director of Walchand PeopleFirst Ltd a publicly listed company. Walchand PeopleFirst has international partnerships with some of the world's leading firms and brands such as Dale Carnegie, USA (training), and PerformanSe, France (Assessments).

Pallavi has diversified exposure to various management practices in areas such as training and development, HR, consulting

and business restructuring, and lobbying, covering a wide range of industries from media, entertainment, technology to the financial services sector and the engineering industry.

She has been a vocal spokesperson for industry associations, and has chaired and moderated panel discussions involving India's leading business leaders. She has played a pioneering role in setting up India's first Finishing School focused on soft -skills training, the missing ingredient in the talent development and employability challenge confronting Indian industry. Additionally, she has been part of women's groups, which has encouraged first generation women entrepreneurs into taking business initiatives. She has singularly led the India operations into the fastest growing region for Dale Carnegie Training, winning several global awards for service and sales excellence. She has been a keynote speaker and a panel member in various forums on business, HR, training and leadership. She has also been Chairperson of CII, Maharashtra Council.

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

Pallavi is an MBA from Syracuse University, New York and a graduate in humanities from St Xavier's College, Mumbai.

13. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

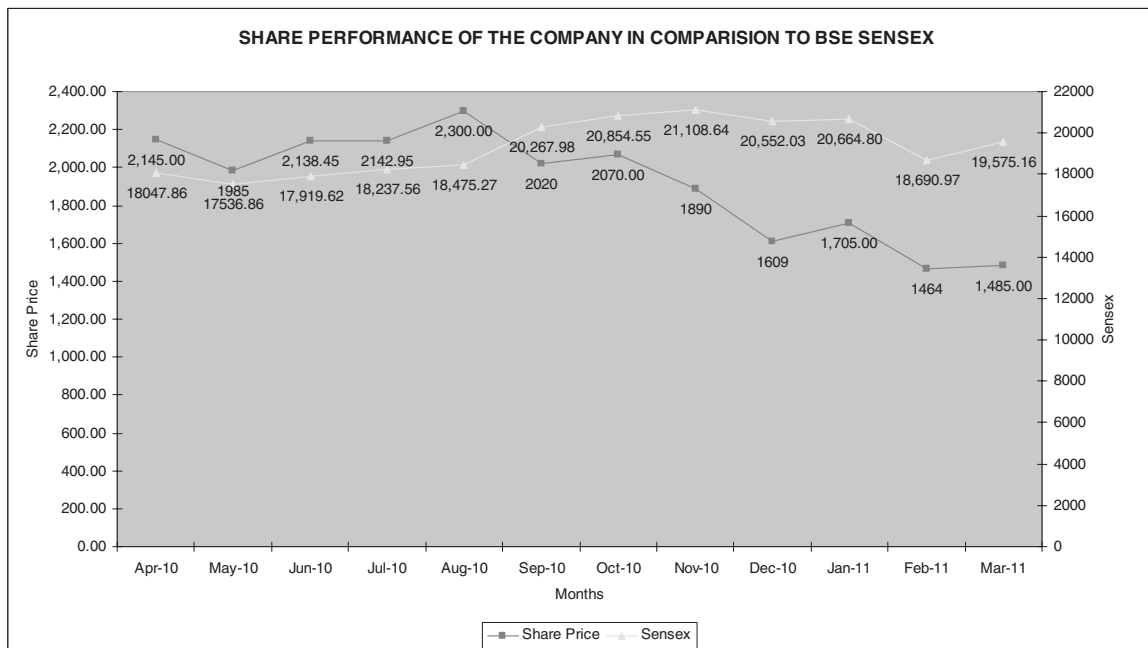
- Date : July 28, 2011.
- Time : 3.00 P.M.
- Venue : Walchand Hirachand Hall,
Indian Merchants' Chamber,
IMC Marg, Churchgate, Mumbai – 400 020

b. Financial Calendar :	
● Financial Reporting for Quarter ending June 30, 2011	By 15 th August, 2011
Quarter/Half year ending Sept. 30, 2011	By 15 th November, 2011
Quarter ending December 31, 2011	By 15 th February, 2012
Quarter/Year ending March 31, 2012	By 15 th May, 2012
● Date of Book Closure :	July 21, 2011 to July 28, 2011 (both days inclusive).

c. Market information

- Listing on Stock Exchange : The Bombay Stock Exchange Limited
- Listing fee for the year 2010-11 has been paid to the Stock Exchange.
- Stock Code- Physical : 501370 on The Bombay Stock Exchange Limited
- ISIN No. NSDL & CDSL : INE 695DO1013
- Market Price Data : High / Low price during each
month of 2010-11 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 (Rs.)	High Price	Low Price	Close Price
Apr-10	1860	2145	1816	1922.05	3578	862	7040121	18,047.86	17,276.80	17,558.71
May-10	1880	1985	1620	1660	1771	468	3126885	17536.86	15,960.15	16,944.63
Jun-10	1701	2138.45	1671	1848.40	5427	952	10338972	17,919.62	16,318.39	17,700.90
Jul-10	1811	2142.95	1786.05	1855.5	4643	1160	9172351	18,237.56	17,395.58	17,868.29
Aug-10	1866.10	2300	1810.05	1859.70	10988	1962	22372751	18,475.27	17,819.99	17,971.12
Sep-10	1938	2020	1722.2	1736.70	5105	1217	9516066	20,267.98	18,027.12	20,069.12
Oct-10	1797.95	2070	1750	1753.70	6131	1497	11574818	20,854.55	19,768.96	20,032.34
Nov-10	1751	1890	1465.05	1486.50	5190	1236	8757711	21,108.64	18,954.82	19,521.25
Dec-10	1499.90	1609	1305.05	1392.05	2867	768	4189329	20,552.03	19,074.57	20,509.09
Jan-11	1395.05	1705	1325	1345	2782	931	4119449	20,664.80	18,038.48	18,327.76
Feb-11	1338	1464	1131	1275.40	2605	676	3467847	18,690.97	17,295.62	17,823.40
Mar-11	1275.15	1485	1251	1315.45	3323	1018	4488967	19,575.16	17,792.17	19,445.22



d. Share Transfer System and other related matters

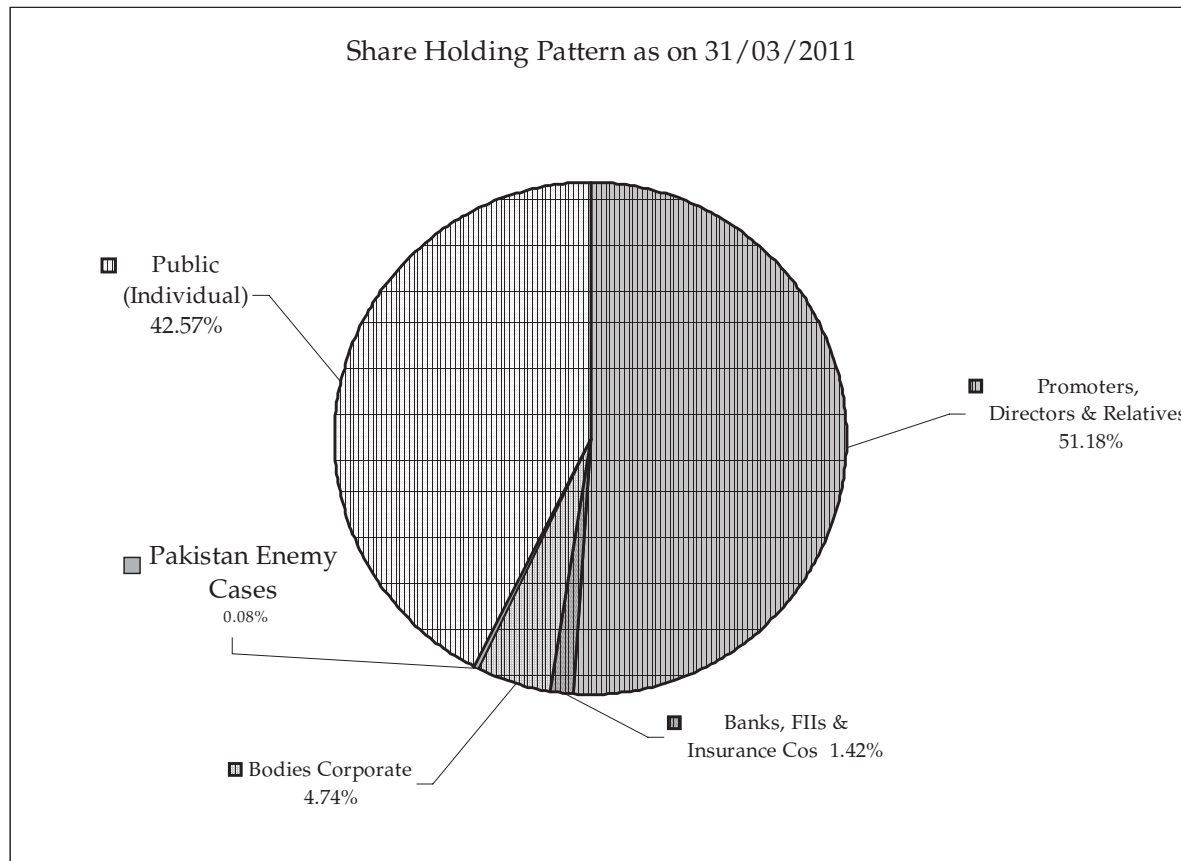
- Registrar and Share Transfer Agent : For both physical & demat segments:
M/s. Computech Sharecap Limited.
“Computech”, 147, Mahatma Gandhi Road,
Fort, Mumbai – 400 023
Tel No: 22635001-2
Fax No.: 22635005
Email : helpdesk@computechsharecap.com
- Share Transfer System : The shares lodged for transfer 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 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 Agents 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 agents 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 31.3.2011

NO. OF EQUITY SHARES HELD	NO. OF SHARE -HOLDERS	% OF SHARE-HOLDERS	NO. OF SHARES HELD	% OF SHARE HOLDING
1 - 50	7616	95.69	61948	21.33
51 - 100	194	2.44	14606	5.03
101 - 200	80	1.01	11124	3.83
201 - 300	26	0.33	6525	2.25
301 - 400	16	0.20	5512	1.90
401 - 500	4	0.05	1850	0.64
501 - 1000	12	0.15	8625	2.97
1001 AND ABOVE	11	0.14	180199	62.05
TOTAL	7959	100	290389	100

● Shareholding Pattern as on 31.3.2011

Category	No. of Shares held	Percentage to total (%)
a. Promoters, Directors & Promoter group	148632	51.18
b. Mutual Funds	Nil	0.00
c. Banks, FIs & Insurance Cos.	4131	1.42
d. Foreign Institutional Investors (FIIs)	Nil	0.00
e. Bodies Corporate	13774	4.74
f. Indian Public	123627	42.57
g. Pakistan Enemy Cases	225	0.08
Total	290389	100.00



- Dematerialisation of Shares : The shares of the Company can be held and traded in electronic form 79.46 % (230741 no. of shares) of the Company's share holdings have been dematerialised as on 31.3.2011
- 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: 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

The Members,
Walchand PeopleFirst Limited

I have examined the compliance of conditions of Corporate Governance by Walchand PeopleFirst Limited for the year ended 31st March, 2011, 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 10, 2011

Pramod S. Shah
Membership No. 334

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 2011.

For WALCHAND PEOPLEFIRST LIMITED

Pallavi Jha
Chairperson & Managing Director

Place: Mumbai

Date: May 10, 2011

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 10, 2011

Pallavi Jha

Chairperson & Managing Director

Shruthi Patni

Vice President - Finance and
Accounts

AUDITORS' REPORT

TO THE MEMBERS OF WALCHAND PEOPLEFIRST LIMITED

1. We have audited the attached Balance Sheet of WALCHAND PEOPLEFIRST LIMITED as at 31st March 2011 and also the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) 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.
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified

as on 31st March, 2011 from being appointed as a director, in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of Cash Flow Statement of the cash flows for the year ended on that date.

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

Satish K.Kelkar

Place: Mumbai

Partner

Date: May 10, 2011

Membership No. 38934

ANNEXURE TO THE AUDITORS' REPORT

- Referred to in paragraph 3 of our report of even date,
- (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 taken unsecured loans amounting to Rs. 71,63,238/- and repaid Rs. 1,26,01,935/- from a party covered in the register maintained under Section 301 of the Companies Act, 1956. Maximum amount outstanding during the year was Rs. 1,99,83,000/- and year end outstanding balance is Rs. 1,20,11,303/-.
- (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) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register maintained in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- (b) According to the information and explanations given to us, in our opinion, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (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 regular in depositing with appropriate authorities undisputed statutory dues including provident fund, sales tax, wealth tax and other statutory dues. According to the records of the Company, the Company is

generally regular in depositing with appropriate authorities undisputed statutory dues relating to income-tax and service tax except in certain cases where delays were noticed. 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 2011, 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	46.14	1992-93 1993-94	Mumbai High Court
Municipal Corporation of Great Mumbai (BMC)	Property Tax	176.98	2000-01 to 2010-11	Mumbai High Court
Mumbai Port Trust	Municipal dues	88.87	1 st Jan.'99 to 31 st March' 11	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 and but had incurred cash losses in the immediately preceding financial year.
- (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 given guarantee for loans

- taken by its holding company from a bank, the terms and conditions whereof in our opinion are not *prima facie* prejudicial to the interest of the Company.
- (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: May 10, 2011

Satish K.Kelkar
Partner
Membership No. 38934

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
(I) SOURCES OF FUNDS			
(1) SHAREHOLDERS' FUNDS:			
(a) Share Capital	A	290.39	290.39
(b) Reserves and Surplus	B	413.81	322.71
		704.20	613.10
(2) LOAN FUNDS:			
(a) Secured Loans	C	177.53	203.87
(b) Unsecured Loan	D	120.11	174.50
		297.64	378.37
Deferred Tax Liabilities (Net)		17.06	20.44
	TOTAL	1,018.90	1,011.91
(II) APPLICATION OF FUNDS			
(1) FIXED ASSETS:			
(a) Gross Block	E	798.46	717.52
(b) Less : Accumulated Depreciation		370.28	327.75
(c) NET BLOCK		428.18	389.77
(d) Capital work-in-progress		17.84	-
(2) INVESTMENTS	F	116.39	248.56
(3) Current Assets, Loans And Advances			
(a) Sundry Debtors	G	153.64	176.13
(b) Cash and Bank Balances	H	42.20	39.02
(c) Loans and Advances	I	861.09	803.56
		1,056.93	1,018.71
(4) Less : Current Liabilities and Provisions			
(a) Current liabilities	J	326.77	402.28
(b) Provisions	K	273.67	242.85
		600.44	645.13
NET CURRENT ASSETS		456.49	373.58
	TOTAL	1,018.90	1,011.91

Significant Accounting Policies and Notes To Accounts **P**

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

As per our attached report of even date

For **K. S. Aiyar & Co.**
Chartered Accountants

SATISH KELKAR
Partner
Membership No. 38934

PALLAVI JHA

Chairperson & Managing Director

SANJAY JHA

Whole Time Director

SHRUTHI PATNI

Vice President - Finance And Accounts

Place : Mumbai
Date : May 10, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Schedule	For the Year Ended March 31, 2011 Rs. in Lakhs	For the Year Ended March 31, 2010 Rs. in Lakhs
INCOME:			
Training income (Tax deducted Rs.101.81 lacs, previous year Rs 74.93 lacs)		1,283.65	1,052.51
Dividend and interest income	L	6.95	9.81
Profit on sale of long term investments		-	3.19
Other income	M	<u>126.52</u>	<u>143.45</u>
	TOTAL	1,417.12	1,208.96
EXPENDITURE:			
Employees remuneration and other expenses	N	1,243.34	1,194.27
Loss on sale of investments		-	0.16
Interest expense	O	40.10	36.35
Depreciation and amortisation		<u>51.41</u>	<u>54.08</u>
	TOTAL	1,334.85	1,284.86
PROFIT / (LOSS) BEFORE TAXES		82.27	(75.90)
Provision for taxes			
Minimum alternative tax		(15.04)	-
MAT credit entitlement		15.04	-
Income tax earlier years		-	(0.21)
Fringe benefit tax earlier years		-	(0.46)
Wealth tax		(3.02)	(2.78)
Deferred tax		<u>3.37</u>	<u>(48.49)</u>
NET PROFIT/(LOSS) AFTER TAXES		82.62	(127.84)
Basic earnings per share in Rs. (Refer Note No. B-8 of Notes)		<u>28.45</u>	<u>(44.02)</u>

Significant Accounting Policies and Notes To Accounts P

As per our attached report of even date

For **K. S. Aiyar & Co.**
Chartered Accountants

SATISH KELKAR
Partner
Membership No. 38934

Place : Mumbai
Date : May 10, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PALLAVI JHA Chairperson & Managing Director

SANJAY JHA Whole Time Director

SHRUTHI PATNI Vice President - Finance And Accounts

SCHEDULES FORMING PART OF BALANCE SHEET

	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
--	---	---

SCHEDULE A : SHARE CAPITAL

Authorised capital:

23,00,000 Equity Shares of Rs. 100/- each	2,300.00	2,300.00
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	290.39	284.89
2,90,389 Equity Shares of Rs. 100/- each, fully paid up (Previous year- 2,84,890 Equity Shares of Rs.100/- each, fully paid up) Of the above, 147,769 Equity Shares are held by the holding company (Previous year -146,498 Equity Shares are held by the holding company)		
Shares Suspenses Account Previous year 5,499 shares of Rs 100 each	-	5.50
TOTAL	290.39	290.39

Of the above Equity shares :

1. 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.
2. 43,333 Shares of Rs. 30 each were issued in 1961 as Bonus Shares by utilising Capital Reserve of Rs. 12,99,990.
3. 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.
4. 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.
5. 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.
6. During 1994-95, 78,880 Equity Shares of Rs. 100 each were issued to the promoters on the preferential basis.
7. 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.

SCHEDULES FORMING PART OF BALANCE SHEET

	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
--	---	---

SCHEDULE B : RESERVES AND SURPLUS

Capital redemption reserve	8.50	8.50
Securities premium	230.95	230.95
General Reserve		
Opening balance	83.26	1,369.00
Add: Accumulated losses of subsidiary on amalgamation	-	(669.34)
Less: Inter company goodwill on amalgamation	-	(805.72)
Add: Loss during the period	-	(127.84)
Add: Transfer from RBI Reserve Funds under the RBI Act, 1997	-	206.47
Add: Transfer from Capital redemption reserve	-	72.75
Add: Amalgamation reserve	-	37.94
Add: Preference shareholders' unclaimed redemption amount no longer payable written back	8.48	-
	91.74	83.26
Profit and Loss Account		
Profit during the year	82.62	-
TOTAL	413.81	322.71

SCHEDULE C : SECURED LOANS

Loans From Banks:		
Term Loan	77.36	47.35
Secured by the mortgage of a building of the Company and personal guarantee of the Chairman. Repayable in one year Rs 40.87 lacs (previous year - Rs 40.17 lacs)		
Cash Credit	100.17	154.27
Secured by hypothecation of debtors and fixed assets and lien against the investments.		
Vehicle Loan	-	2.25
Secured by hypothecation of a vehicle		
TOTAL	177.53	203.87

SCHEDULE D : UNSECURED LOANS

Loan from the holding company	120.11	174.50
TOTAL	120.11	174.50

SCHEDULES FORMING PART OF BALANCE SHEET

SCHEDULE E : FIXED ASSETS

ASSETS	GROSS BLOCK			DEPRECIATION/AMORTIZATION				Rs. in Lakhs NETBLOCK		
	As at April 1, 2010	Additions	Deductions	As at March 31, 2011	As at April 1, 2010	For the year	Deductions	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
	Tangible Assets									
Buildings	331.71	-	-	331.71	138.79	9.65	-	148.44	183.27	192.92
Leasehold improvements	66.34	-	-	66.34	5.67	2.85	-	8.52	57.82	60.67
Plant and machinery	9.42	-	3.88	5.54	8.71	0.08	3.49	5.30	0.24	0.71
Furniture and fixtures	107.47	1.65	1.71	107.41	52.11	11.65	1.34	62.42	44.99	55.36
Data Processing and allied equipments	46.92	53.25	4.22	95.95	39.54	10.79	2.93	47.40	48.55	7.38
Office equipments	42.18	11.79	1.47	52.50	25.31	3.15	1.12	27.34	25.16	16.87
Electric instalations	51.72	25.53	-	77.25	15.14	6.12	-	21.26	55.99	36.58
Vehicles	22.95	-	-	22.95	15.58	1.89	-	17.47	5.48	7.37
Total - A	678.71	92.22	11.28	759.65	300.85	46.18	8.88	338.15	421.50	377.86
Intangible Assets										
Franchise fees	34.01	-	-	34.01	24.98	4.27	-	29.25	4.76	9.03
Software	4.80	-	-	4.80	1.92	0.96	-	2.88	1.92	2.88
Total - B	38.81	0.00	0.00	38.81	26.90	5.23	0.00	32.13	6.68	11.91
TOTAL - A + B	717.52	92.22	11.28	798.46	327.75	51.41	8.88	370.28	428.18	389.77
Previous Year	697.58	28.43	8.48	717.52	281.18	54.06	7.49	327.75	389.77	

SCHEDULES FORMING PART OF BALANCE SHEET
SCHEDULE F : INVESTMENTS (OTHER THAN TRADE)

PARTIULARS	Face Value	As at March 31, 2011		As at March 31, 2010	
		Quantity	Rs. in Lakhs	Quantity	Rs. in Lakhs
INVESTMENTS - LONG TERM:					
(1) Quoted Investments					
Associated Cement Company Ltd.	10	10	0.03	10	0.03
Bengal & Assam Company Ltd.	10	58	-	58	-
Bharati Airtel Ltd.	5	28	0.12	28	0.12
Biocon Ltd.	5	126	0.29	126	0.29
Cholamadalam Investment and Finance Company Ltd.	10	24	0.05	24	0.05
HDFC Bank Ltd.	10	3	0.04	3	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	25	0.19
Infrastructure Development Finance Company Ltd.	10	111	0.06	111	0.06
ITC LTd	1	138	0.14	69	0.14
J K Tyres and Industries Ltd.	10	750	1.41	750	1.41
Kalpataru Power Transmission Ltd.					
(Increase in number of shares due to sub-division)	2	420	1.34	84	1.34
KPIT Cummins Infosystems Ltd.	2	1,750	2.98	1,750	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	44	0.23	44	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	800	2.34
Zee Entertainment Enterprise Limited (Zee News Limited got merged with Zee Entertainment Enterprise Ltd. and includes bonus)	1	152	0.18	361	0.18
Zee Learn Limited(De-merged from Zee Entertainment Enterprises Limited)	1	219	-	-	-
TOTAL - A			23.40		23.40

SCHEDULES FORMING PART OF BALANCE SHEET

SCHEDULE F : INVESTMENTS (Contd.)

PARTIULARS	Face Value	As at March 31, 2011		As at March 31, 2010	
		Quantity	Rs. in Lakhs	Quantity	Rs. in Lakhs
(2) Unquoted Investments					
Bombay Mercantile Co-op Bank Ltd.	30	166	0.05	166	0.05
Sushrusa Citizens Co-operative Hospital Ltd.	100	100	0.10	100	0.10
Total- B			<u>0.15</u>		<u>0.15</u>
(3) Investment In Preference Shares - Unquoted					
Walchand and Company Private Limited (5% Redeemable Preference Shares)	1,000	-	-	13,333	133.33
TOTAL - C			<u>-</u>		<u>133.33</u>
(4) Investment In Units - Unquoted					
Kotak 50 - Equity Scheme Dividend (Formerly known as Kotak-30 Equity Scheme Dividend)	10	46,159.001	20.46	43,211.145	19.59
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	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	47,975.400	4.79
TOTAL - D			<u>92.93</u>		<u>92.06</u>
(5) Investments In Debentures					
Television Eighteen India Ltd.	150	62	0.01	62	0.01
TOTAL - E			<u>0.01</u>		<u>0.01</u>
(6) Investment in immovable property					
Walchand Co-op. Housing Society Ltd.	50	5	0.003	5	0.003
TOTAL - F			<u>0.003</u>		<u>0.003</u>
INVESTMENTS - CURRENT - UNQUOTED					
Investment In Units					
Tata Liquid Fund - Dividned	10	6.036	0.07	5.764	0.07
TOTAL - G			<u>0.07</u>		<u>0.07</u>
TOTAL OF A to G			<u>116.56</u>		<u>249.02</u>
		Cost	Market Value	Cost	Market Value
INVESTMENTS AS AT MARCH 31, 2011					
Quoted Investments		23.40	15.21	23.40	16.54
Unquoted Investments		93.16	-	225.63	-
TOTAL		<u>116.56</u>	<u>15.21</u>	<u>249.02</u>	<u>16.54</u>
Less:- Provision for Diminution in value of shares		0.16	-	0.46	-
INVESTMENTS NET OF PROVISION		<u>116.40</u>	<u>-</u>	<u>248.56</u>	<u>-</u>

SCHEDULES FORMING PART OF BALANCE SHEET

	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
--	---	---

SCHEDULE G : SUNDRY DEBTORS

Unsecured

Debts considered good:

Debts outstanding more than six months	1.08	4.24
Others debts	152.56	171.89
	153.64	176.13

Debts considered doubtful:

Less : Provision for doubtful debts	1.59	1.27
	1.59	1.27
	-	-
TOTAL	153.64	176.13

SCHEDULE H : CASH AND BANK BALANCES

Cash on hand	0.16	0.11
Balances with Scheduled Banks:		
In current accounts	37.02	33.88
In other accounts	5.02	5.03
TOTAL	42.20	39.02

SCHEDULE I : LOANS AND ADVANCES

Considered good:

Advance recoverable in cash or in kind for value to be received	23.54	55.52
Security and other deposits	110.74	113.05
MAT credit entitlement	15.04	-
Advance taxes	711.77	634.99
	861.09	803.56

Considered doubtful:

Less: Provision for doubtful loans and advances	3.13	-
	3.13	-
	-	-
TOTAL	861.09	803.56

SCHEDULES FORMING PART OF BALANCE SHEET

	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
--	---	---

SCHEDULE J: CURRENT LIABILITIES

Sundry Creditors:

- Dues of Micro, small and medium enterprises	4.48	0.33
- Other creditors	151.43	231.86
Preference share holders unclaimed liability	-	8.49
Unclaimed dividend	5.02	5.03
Security deposits	121.30	96.94
Other Liabilities	33.73	49.51
Interest accrued but not due on loans	10.81	10.12
TOTAL	326.77	402.28

SCHEDULE K: PROVISIONS

Provision for taxation	224.54	207.49
Provision for gratuity	28.98	10.09
Provision for superannuation	16.14	9.80
Other provisions	4.01	15.47
TOTAL	273.67	242.85

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

For the Year ended **For the Year ended**
March 31, 2011 **March 31, 2010**
Rs. in Lakhs **Rs. in Lakhs**

SCHEDULE L : DIVIDEND AND INTEREST INCOME

Dividend income	6.69	9.57
Interest income	0.26	0.24
TOTAL	<u><u>6.95</u></u>	<u><u>9.81</u></u>

SCHEDULE M : OTHER INCOME

Income from property (Tax deducted Rs.3.16 lacs, previous year Rs 1.76 lacs)	67.72	88.24
Provision for expenses no longer required written back	38.51	40.96
Provision for dimunition in investments written back	0.30	-
Miscellaneous income	19.99	14.25
TOTAL	<u><u>126.52</u></u>	<u><u>143.45</u></u>

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

For the Year ended **For the Year ended**
March 31, 2011 **March 31, 2010**
Rs. in Lakhs **Rs. in Lakhs**

SCHEDULE N : EMPLOYEES REMUNERATION AND OTHER EXPENSES

Employees remuneration:		
Salaries and Bonus	518.86	392.78
Contribution to provident fund and other funds	24.68	29.11
Gratuity	18.18	7.07
Induction, development and welfare expenses	36.60	44.80
Training expenses	70.89	51.94
Royalties	126.75	97.65
Training centre expenses (includes rent - Rs.169.38 lakhs, previous year- Rs.150.77 lakhs)	233.50	218.31
Traveling and conveyance	52.66	43.40
Technology expenses	4.85	18.07
Electricity charges	7.90	15.31
Rent, rates and taxes	26.56	118.44
Legal, professional and recruitment expenses	23.73	31.45
Directors' sitting fees	2.40	2.40
Auditors' remuneration (excluding Service Tax)		
(a) Statutory audit	2.00	3.20
(b) Tax audit	0.40	0.80
(c) Audit fees in other capacity	1.10	0.90
(d) Out of pocket expenses	0.27	0.11
Fixed assets written off	1.82	-
Loss on sale of assets	0.25	0.40
Repairs to building	1.83	0.40
Insurance	1.48	1.75
Provision for doubtful debts	0.33	-
Provision for doubtful loans and advances	3.13	-
Miscellaneous expenses	83.17	115.98
TOTAL	1,243.34	1,194.27

SCHEDULE O - INTEREST EXPENSE

Interest on Secured loans	18.32	20.24
Interest on Unsecured loan	15.35	10.00
Other interest	6.43	6.11
TOTAL	40.10	36.35

**SCHEDULE P : ACCOUNTING POLICIES AND NOTES FORMING
PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011**

A. SIGNIFICANT ACCOUNTING POLICIES:

1) Basis of Preparation

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.

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.

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.

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.

Rates of Depreciation Assets	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.

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.

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.

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.

8) Foreign Currency Transactions

(i) 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.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate.

(iii) 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.

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) 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.

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.

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.

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.

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.

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).

15) Taxes

Tax expense comprises of current and deferred tax.

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.

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. 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.

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.

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.

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 provided.

17) Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand.

B. OTHER NOTES**1) Contingent Liabilities**

S. No	Particulars	As at March 31, 2011 Rs in Lakhs	As at March 31, 2010 Rs in Lakhs
(a)	Income tax liability on disputed dues		
	- Disputed amount	89.16	390.05
	- Tax amount on above	46.14	151.36
(b)	Corporate Guarantee given to a bank on behalf of Walchand and Company Private Limited (Balance outstanding as on March,31)	20.26	60.89
(c)	In relation to payment of Rates and Taxes payable to Municipal Corporation of Great Mumbai (BMC) for the period from 1 st April,2000 to 31 st March 2011 the demand amount stated is disputed and Appeal is pending before the High Court.	176.98	143.78
(d)	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.	88.87	33.39

2) Capital commitment

The estimated amount of contract remaining to be executed on capital account and not provided for as on March 31, 2011 is Rs 21.29 Lakhs (Previous Year - Rs NIL).

3) Related Party Disclosures**A. Description of Companies:**

Name of the Related Party	Nature of Relationship
i) Walchand & Company Pvt. Ltd.	Holding Company
ii) Walchand Netsoft Pvt. Ltd	Controlled Company

B. Key Management Personnel:

Name of the Related Party	Nature of Relationship
(i) Mrs. Pallavi Jha	Chairperson & Managing Director
(ii) Mr. Sanjay Jha	Whole Time Director

C. Relative of Key Management Personnel:

Name of the Related Party	Nature of Relationship
(i) Mrs. Kamalini Bahubali	Mother of Ms.Pallavi Jha

D Related Parties transactions in accordance with Accounting Standard 18:

S.No.	Nature of Transactions	For the year ended March 31, 2011 Rs. in Lakhs	For the year ended March 31, 2010 Rs. in Lakhs
i)	Interest on unsecured loan		
	Walchand & Company Private Limited	15.35	10.00
ii)	Dividend received		
	Walchand & Company Private Limited	3.33	6.67
iii)	Technology expenses		
	Walchand Netsoft Private Limited	0.00	14.40
iv)	Income from property		
	Walchand & Company Private Limited	0.51	0.51
	Ms. Pallavi Jha	0.00	1.92
v)	Transactions with Key Management Personnel		
	Managing Director's Remuneration	36.68	36.32
	Whole Time Director's Remuneration	36.68	36.40
vi)	Unsecured loan repaid		
	Walchand & Company Private Limited	126.02	5.00
vii)	Unsecured loan taken		
	Walchand & Company Private Limited	71.63	146.00
viii)	Preference shares redeemed		
	Walchand & Company Private Limited	133.33	0.00
ix)	Balances	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
a	Unsecured loan		
	Walchand & Company Private Limited	120.11	174.50
b	Investment		
	Walchand & Company Pvt. Ltd. – Preference Shares	0.00	133.33
c	Sundry Creditors		
	Walchand NetSoft Pvt Ltd	1.05	3.39
d	Corporate Guarantee given to a bank on behalf of Walchand & Company Private Limited	20.26	60.89

4) Employee benefit disclosure

The Company has classified various employee benefits as under:

(i) Defined Contribution plans

The amounts recognized as expense and included in Schedule N are as follows:

Particulars	For the year ended March 31, 2011 Rs. in Lakhs	For the year ended March 31, 2010 Rs. in Lakhs
Contribution to Provident Fund and Construction Employees Provident Fund	15.93	17.55
Contribution to Superannuation Fund	6.30	6.82

(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	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
A) Change in defined benefit obligation		
Opening defined benefit obligation	8.68	14.62
Current service cost	0.39	3.69
Interest cost	0.59	1.24
Actuarial (gain)/ Losses on Obligation	19.32	3.64
Benefits paid	-	-
Additional provision	-	-
Closing defined benefit obligation	28.98	23.19
B) Change in fair value of assets		
Opening fair value of plan assets	9.01	8.08
Expected return on plan assets	0.72	0.66
Actuarial gain/(losses) on plan assets	-	0.07
Contributions by employer	-	0.20
Benefits paid	-	-
Closing fair value of plan assets	9.73	9.01
C) Expenses recognised		
Current service cost	0.39	3.69
Interest on Defined Benefit Obligation	0.59	1.24
Expected return on plan assets	(0.72)	(0.66)
Net Actuarial (gain) /Losses recognized	19.32	3.56
Total expense recognized	19.58	7.83
D) Amount recognised in Balance sheet		
Present value of Funded obligations	28.98	23.19
Fair value of plan assets	9.73	9.01
Net Liability	19.25	14.18
E) Actuarial assumptions		
Discount Rate (p.a)	7.75%	6.75%
Expected rate of return on assets (p.a)	8.00%	8.00%
Salary Escalation rate (p.a)	9.00%	7.00%
F) Experience Adjustments		
Experience adjustment on plan liability-Loss	19.74	3.64
Experience adjustment on plan assets-Loss	0.00	0.06

5) Segment Reporting

Walchand PeopleFirst Limited is engaged in the business of training in soft skills. Also, there are investments held from which income is derived. All the operations are carried out in India.

Particulars	Investment		Training		Others		Total	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
Income	6.95	13.00	1,283.65	1,052.51	-	-	1,290.60	1,065.51
Unallocated income	-	-	-	-	126.52	143.45	126.52	143.45
Total income	6.95	13.00	1,283.65	1,052.51	126.52	143.45	1,417.11	1,208.97
Profit before tax and interest	6.23	12.62	(9.65)	(194.77)	-	-	(3.42)	(182.15)
Unallocated	-	-	-	-	125.78	142.61	125.78	142.61
Total Results	6.23	12.62	(9.65)	(194.77)	125.78	142.61	122.36	(39.54)
Interest Expenses	-	-	-	-	-	-	(40.10)	(36.35)
Net Profit/ (Loss) before tax	-	-	-	-	-	-	82.26	(75.89)
Taxes	-	-	-	-	-	-	0.35	(51.94)
Net Profit/ (Loss) after tax	-	-	-	-	-	-	82.61	(127.83)
Other Information								
Segment Assets	116.39	248.56	696.59	691.20	-	-	812.98	939.76
Unallocated Assets	-	-	-	-	806.38	717.28	806.38	717.28
Total Assets	116.39	248.56	696.59	691.20	806.38	717.28	1,619.36	1,657.04
Segment Liabilities	-	-	531.78	664.11	-	-	531.78	664.11
Unallocated Liabilities	-	-	-	-	383.38	379.83	383.38	379.83
Total Liabilities	-	-	531.78	664.11	383.38	379.83	915.16	1,043.94
Capital Expenditure	-	-	92.22	28.43	-	-	92.22	28.43
Depreciation/Amortisation	-	-	51.41	54.08	-	-	51.41	54.08

6) Leases provided

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

Particulars	For the year ended March 31, 2011 Rs. in Lakhs	For the year ended March 31, 2010 Rs. in Lakhs
Not later than one year	212.90	339.69
Later than one year and not later than five years	42.41	254.78
Later than five years	0.68	1.19

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

Particulars	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
Gross carrying amount	2.80	2.80
Accumulated depreciation	2.45	2.43
	For the year ended March 31, 2011	For the year ended March 31, 2010
Depreciation recognized in the Profit and Loss Account	0.02	0.02
Lease rent income during the year	67.72	88.23
Lease training center income during the year	229.32	238.16

7) Leases taken

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

Particulars	For the year ended March 31, 2011 Rs. in Lakhs	For the year ended March 31, 2010 Rs. in Lakhs
Not later than one year	110.37	172.28
Later than one year and not later than five years	—	444.98
Later than five years	—	113.07

- b) The Company has entered into operating lease arrangements for its office premises and employee accommodation which are cancelable and renewable as per terms. The related rent expense is Rs 22.00 Lakhs (Previous Year - Rs 114.57 Lakhs including equipments).
- c) Lease training center expense is Rs.169.38 lakhs (previous year - Rs 150.77 lakhs).

8) Earning Per Share

Particulars	For the year ended March 31, 2011 Rs. in Lakhs	For the year ended March 31, 2010 Rs. in Lakhs
Profit/(Loss) after tax	82.62	(127.84)
Number of Equity shares	2,90,389	2,90,389
Basic Earnings Per Share (Rs.)	28.45	(44.02)

9) Deferred tax

In accordance with Accounting Standard 22. "Accounting for Taxes on Income" issued by the institute of Chartered Accountant of India, the following is recognized in its financial statements.

Particulars	For the year ended March 31, 2011 Rs. in Lakhs	For the year ended March 31, 2010 Rs. in Lakhs
Deferred Tax Liabilities		
Difference in Book and Tax WDV of Fixed Assets	22.34	22.87
Total - A	22.34	22.87
Deferred Tax Assets		
Others	5.28	2.43
Total - B	5.28	2.43
Net Deferred Tax Liability - A-B	17.06	20.44

10) Managerial remuneration

Particulars	For the year ended March 31, 2011 Rs. in Lakhs	For the year ended March 31, 2010 Rs. in Lakhs
Chairperson and Managing Director		
Salary	21.00	24.00
Contribution to Provident Fund	2.52	2.88
Contribution to Superannuation Fund	3.15	3.12
Perquisites	9.00	6.32
Total	35.67	36.32
Whole- Time Director	Rs. in Lakhs	Rs. in Lakhs
Salary	21.00	24.00
Contribution to Provident Fund	2.52	2.88
Contribution to Superannuation Fund	3.15	3.12
Perquisites	9.00	6.40
Total	35.67	36.40

Note – Gratuity has been computed for all the employees of the Company. There is no particular computation for Chairperson and Whole Time Director. Hence the gratuity is not included in above.

11) Foreign Currency Transactions

Expenses paid in foreign currency are on account of the following (on payment basis):

S. No.	Particulars	Currency	For the year ended March 31, 2011		For the year ended March 31, 2010	
			Amount in Foreign Currency	Rs in Lakhs	Amount in Foreign Currency	Rs in Lakhs
1.	Royalty Remitted	USD	252,689	115.77	327,956	147.58
2.	Royalty Remitted	EURO	8,294	5.06	10,627	6.84
3.	Traveling Expenses	USD	13,559	6.17	2,378	1.07
4.	Registration Fees	USD	1,019	0.49	200	0.10

12) 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.

Particulars	As at March 31, 2011 Rs. in Lakhs	As at March 31, 2010 Rs. in Lakhs
Principal amount unpaid at the end of the year	4.48	0.33
Interest unpaid at the end of the year	0.00778	0.00903
Balance of MSME parties	4.48778	0.33903

- 13) In the opinion of the Board, the current assets, loans and advances are realizable in the ordinary course of business at least at the value as stated in the financials statements.
- 14) Additional information pursuant to the provisions of paragraph 3 & 4 of Part II of Schedule VI to the Companies Act, 1956 is either NIL or not applicable.
- 15) Previous year’s figures have been regrouped/ recast wherever found necessary.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **K. S. Aiyar & Co.**
Chartered Accountants

SATISH KELKAR
Partner
Membership No. 38934

PALLAVI JHA

SANJAY JHA

SHRUTHI PATNI

Chairperson & Managing Director

Whole Time Director

Vice President - Finance And Accounts

Place : Mumbai
Date : May 10, 2011

CASH FLOW STATEMENT

Cash Flow Statement For the Year Ended 31st March, 2011

	2010-2011		2009-2010	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakh	Rs. in Lakhs
A Cash flows from operating activities:				
Net Profit before tax		82.27		(75.90)
Adjustments for:				
Depreciation and amortization	51.41		54.08	
Profit on sale of investments	-		(3.19)	
Dividend income	(6.69)		(9.57)	
Interest income	(0.26)		(0.24)	
Interest expense	40.10		36.35	
Loss on sale of investments	-		0.16	
Loss on sale of assets	0.25		0.40	
Fixed assets written off	1.82		-	
Provision for doubtful debts	0.33		-	
Provision for doubtful loans and advances	3.13		-	
Diminution in value of investment written back	(0.30)		-	
Provision for expenses written back	(38.51)		(40.96)	
		<u>51.28</u>		<u>37.03</u>
		<u>133.55</u>		<u>(38.87)</u>
Adjustment for:				
Trade Receivables	53.32		(43.49)	
Trade Payables	(15.40)		(19.72)	
		<u>37.92</u>		<u>(63.21)</u>
Net cash from operating activities before income tax		<u>171.47</u>		<u>(102.08)</u>
Taxes paid		(77.81)		(67.69)
Net cash from operating activities		<u>93.66</u>		<u>(169.77)</u>
B Cash flow from investing activities:				
Purchase of fixed assets	(92.22)		(28.43)	
Capital work in progress	(17.84)		-	
Sale of fixed assets	0.33		0.59	
Purchase of investments	(0.88)		(2.44)	
Sale of investments	133.33		10.04	
Dividend income	6.69		16.24	
Interest income	0.26		0.24	
Net cash from investing activities		<u>29.67</u>		<u>(3.74)</u>
C Cash flow from financing activities:				
Proceeds from unsecured loan	-		141.00	
Repayment of unsecured loan	(54.39)		-	
Proceeds from secured loans	-		56.49	
Repayment of secured loans	(26.34)		(3.18)	
Interest paid	(39.41)		(27.36)	
Payment to Preference share holders	-		(0.01)	
Dividend Paid	(0.01)		(0.09)	
Net cash from financing activities		<u>(120.15)</u>		<u>166.85</u>
Net increase/(decrease) in cash and cash equivalents		<u>3.18</u>		<u>(6.66)</u>
Cash and cash equivalents at beginning of year				
Cash on Hand	0.11		0.29	
Bank Balances	38.91		6.23	
Add : On account of amalgamation	-	39.02	39.16	45.68
Cash and cash equivalents at end of year				
Cash on Hand	0.16		0.11	
Bank Balances				
a) Current Account	37.02		33.88	
b) Unpaid Dividend Account	5.02		5.03	
		<u>42.20</u>		<u>39.02</u>

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For **K. S. Aiyar & Co.**
Chartered Accountants

PALLAVI JHA

Chairperson & Managing Director

SATISH KELKAR

SANJAY JHA

Whole Time Director

Partner
Membership No. 38934

SHRUTHI PATNI

Vice President - Finance And Accounts

Place : Mumbai
Date : May 10, 2011

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956.

Balance Sheet Abstract and Company's General Business Profile	Rs. in Lakhs
I. Registration Details	
Registration No. :	11-791
State Code :	11
Balance Sheet Date :	31.03.2011
II. Capital Raised During The Year	
Public Issue :	NIL
Rights Issue :	NIL
Bonus Issue :	NIL
Private Placement :	NIL
III. Position Of Mobilisation And Deployment Of Funds	
Total Liabilities :	1,619.34
Total Assets :	1,619.34
Sources of Funds	
Paid up capital :	290.39
Reserve & Surplus :	413.81
Secured Loans :	177.53
Unsecured Loans :	120.11
Deferred Tax Liability :	17.06
Application of Funds	
Net Fixed Assets :	428.18
Capital work-in-progress :	17.84
Investments :	116.39
Net Current Assets :	456.49
Accumulated Losses :	NIL
IV. PERFORMANCE OF COMPANY	
Turnover (includes other income) :	1,417.12
Total Expenditure :	1,334.85
Profit / (Loss) Before Tax :	82.27
Profit / (Loss) After Tax :	82.62
Earning Per Share (Rs.) :	28.45
Divided Rate % :	0.00
V. Generic Names Of Three Principle Services Of The Company	
ITC Code No. (ITC Code)	NIL
Product Description	Investment
ITC Code No. (ITC Code)	NIL
Product Description	Training and Coaching

As per our attached report of even date

For **K. S. Aiyar & Co.**
Chartered Accountants

SATISH KELKAR
Partner
Membership No. 38934

Place : Mumbai
Date : May 10, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PALLAVI JHA

Chairperson & Managing Director

SANJAY JHA

Whole Time Director

SHRUTHI PATNI

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 91st ANNUAL GENERAL MEETING of the Company Scheduled to be held at Walchand Hirachand Hall, Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai – 400 020 on Thursday, July 28, 2011 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 90th Annual General Meeting of the Company Scheduled to be held at Walchand Hirachand Hall, Indian Merchant Chambers, IMC Marg, Churchgate, Mumbai – 400 020 on Thursday, July 28, 2011 at 3.00 P.M. or at any adjourned Annual General Meeting.

Signed by the said day of 2011.

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.

Book Post



WALCHAND PEOPLEFIRST LIMITED

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

SIDDHIVINAYAK PRINTERS
© 2163 5623