



## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

Shri Jayanta Ray, Chairman  
Shri Sujit Chakravorti, Independent Director  
Shri Asoke Kumar Dutt, Independent Director  
Shri Debasis Konar, Non-Executive Director  
Shri Soumen Das, Independent Director  
Shri Sunil Munshi, Non-Executive Director  
[resigned w.e.f. close of business on 31.08.2017]  
Shri R.C.Sen, Non-Executive Director  
[appointed as Additional Director w.e.f. 01.09.2017,  
resigned w.e.f. close of business on 30.06.2018]  
Shri Sanjoy Bhattacharya  
[appointed as Additional Director w.e.f. 01.07.2018]  
Shri Ashis Chakraborty, Non-Executive Director  
Shri Debasis Jana, Non-Executive Director  
Smt. Sujata Roy, Independent Director

### **CHIEF EXECUTIVE OFFICER**

Shri Anirban Gupta

### **CHIEF FINANCIAL OFFICER**

Shri Jayanta Kumar Datta

### **COMPANY SECRETARY**

Ms. Shinjinee Bhattacharyya

### **STATUTORY AUDITORS**

M/s. Marodia Khanna & Associates  
Chartered Accountants  
Kolkata

### **REGISTRAR & SHARE TRANSFER AGENT**

MCS Share Transfer Agent Limited  
12/1/5 Manoharpukur Road,  
Kolkata - 700 026

### **BANKERS**

Bank of Baroda  
United Bank of India  
State Bank of India

### **REGISTERED OFFICE**

"Yule House",  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Tel : (033) 2242 8210 / 8550  
Fax : (033) 2242 1335  
CIN : L36900WB1979PLC032046  
E-mail : webfil@webfilindia.com  
Website : www.webfilindia.com

### **FACTORY**

Gayeshpur, P.S. Kalyani  
Dist. Nadia  
West Bengal - 741234

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## WEBFIL LIMITED

### **NOTICE TO MEMBERS**

NOTICE is hereby given that the 38th Annual General Meeting of the members of WEBFIL LIMITED will be held at "Yule House", 8, Dr. Rajendra Prasad Sarani, Kolkata -700 001 on Wednesday, the 26th day of September, 2018 at 4.00 p.m. to transact the following business:

#### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 together with the Reports of the Board of Directors, Auditors, and comments of the Comptroller & Auditor-General of India (CAG) thereon.
2. To appoint a Director in place of Shri Debasis Jana (DIN: 07046349), who retires from office by rotation and being eligible, offers himself for re-appointment.
3. To determine the manner in which remuneration would be paid to the Statutory Auditors of the Company appointed by the Comptroller and Auditor-General of India in respect of the financial year 2018-2019, and for the purpose, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013, and other applicable statutes and laws, if any [including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force], the Board of Directors of the Company [which term shall be deemed to include Audit Committee thereof], be and is hereby authorised to fix the remuneration of the Statutory Auditors of the Company appointed by the Comptroller and Auditor-General of India in respect of the financial year 2018-2019 in accordance with Section 139 of the Companies Act, 2013, and other applicable statutory provisions, if any."

#### **SPECIAL BUSINESS:**

4. To consider, and if thought fit, to pass with or without modification(s), the following resolution, as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and Rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment thereof for the time being in force] and Articles of Association of the Company, Mr. Sanjoy Bhattacharya [DIN: 07674268], who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, with effect from 1st July, 2018, and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to Section 188 of the Companies Act 2013, applicable Rules made thereunder and other applicable statutory provisions, if any, consent of the shareholders be and is hereby accorded to the Company for entering into contracts/arrangements involving sale, purchase or supply of any goods or materials, directly or through appointment of agent, and/or availing or rendering of any services, directly or



through appointment of agent, with the Company's Related Party - New Town Telecom Infrastructure Development Company Limited, up to an amount of Rs. 1000 Lakhs (Rupees One Thousand Lakhs only) during the Financial Year ending on 31st March, 2019."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board of Directors of the Company constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to perform all such acts as may be required to be done or performed in furtherance of the above resolution."

The Register of Members and the Share Transfer Registers of the Company will remain closed from 20th September, 2018 (Thursday) to 26th September, 2018 (Wednesday), both days inclusive.

Registered Office:  
"Yule House"  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Dated: 14th August, 2018

**By Order of the Board**  
Shinjinee Bhattacharyya  
Company Secretary

**Notes for members' attention:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the 38th Annual General Meeting ("the AGM" or "the Meeting"), is annexed to this Notice.
2. A Member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on a poll instead of himself / herself and such proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member. The instrument appointing proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Corporate Members intending to depute their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a duly certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member entitled to vote at the Meeting or on any resolution to be moved thereat, shall be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 days' notice in writing of the intention so to inspect is given to the Company.
5. The Annual Report of the Company for the year 2017-2018, circulated to the members of the Company, will be made available on the Company's website [www.webfilindia.com](http://www.webfilindia.com).

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6. Members are requested to furnish details pertaining to change of their addresses and all other required details to the Registrar & Share Transfer Agent in respect of shares held by them.
7. The details of Directors seeking appointment / re-appointment, in terms of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, are annexed hereto and forms part of this Notice.
8. M/s. MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata - 700 026, is the Company's Registrar and Share Transfer Agent (RTA).
9. For convenience of the members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.
10. Members holding shares in identical order of names in more than one folio are requested to send the details of such folios to the Company or its RTA for consolidation of their holding in one folio.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent Account Number (PAN) by every participant in securities market. All the members are, therefore, requested to submit their PAN to the Company.

Further, the Securities and Exchange Board of India (SEBI) through Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, has mandated collection of copy of PAN and bank account details of all securities holders. Therefore, the Members are requested to fill up the form enclosed with this Annual Report, sign the form (also getting his/her signature attested by the Notary Public or Bank Manager), and arrange to dispatch the same directly to the Company's Registrar & Share Transfer Agent (RTA), i.e. M/S.MCS SHARE TRANSFER AGENT LIMITED, 12/1/5 MANOHARPUKUR ROAD, KOLKATA - 700 026, within a period of 21 day2s.

12. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desirous of availing this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the Company's RTA at the address provided above, or the Registered Office of the Company.
13. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with the Company, for receiving all communications from the Company electronically.
14. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the 38th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a



place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The instructions for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical

Your User ID is:

a) For Members who hold shares in demat account with NSDL.

8 Character DP ID followed by 8 Digit Client ID  
For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*.

b) For Members who hold shares in demat account with CDSL.

16 Digit Beneficiary ID  
For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*.

c) For Members holding shares in Physical Form.

EVEN Number followed by Folio Number registered with the company  
For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial

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password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shawmanoj2003@gmail.com and / or shawmanoj2003@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on 19th September, 2018, may obtain user/login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com).

In case a Member receives physical copy of the Notice of Annual General Meeting (for Members whose email addresses are not registered with the Company):

- i. Initial password is provided in the enclosed form: EVEN (E-Voting Event Number), user / login ID and password.
- ii. Please follow all steps detailed above, to cast vote.

**Other Instructions:**

- i. The remote e-voting period commences on Sunday, 23rd September, 2018 (9.00 a.m. IST) and ends on Tuesday, 25th September, 2018 (5.00 p.m. IST). During this period, members of the Company, holding shares, as on 19th September, 2018, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 19th September, 2018.
- iii. Shri Manoj Prasad Shaw, Practising Company Secretary (Membership No. FCS 5517), Proprietor of Manoj Shaw & Co., Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- iv. Facility for voting through ballot paper shall be made available at the 38th Annual General Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.
- v. The Scrutinizer shall, after conclusion of voting at the AGM, first count the votes cast at the Meeting, and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two)

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witnesses not in the employment of the Company and make not later than 3 (three) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who will countersign the same and declare the result of the voting forthwith.

- vi. Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.
  - vii. Members of the Company holding shares as on 19th September, 2018, may opt for remote e-voting or voting at the AGM through ballot paper.
  - viii. The results declared along with the Scrutinizer's Report shall be placed on the Company's Website [www.webfilindia.com](http://www.webfilindia.com) and on the Website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately on declaration of result by the Chairman, or any other person authorized by him in writing, and communicated to The Calcutta Stock Exchange Limited (CSE), where the shares of the Company are listed.
15. All documents referred to in the Notice of the AGM and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (09.30 am to 6.00 pm) on all working days, up to and including the date of Annual General Meeting of the Company.
16. **MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING.**

Registered Office:  
"Yule House"  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Dated: 14th August, 2018

**By Order of the Board**  
Shinjinee Bhattacharyya  
Company Secretary

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS  
PURSUANT TO SECTION 102 OF  
THE COMPANIES ACT, 2013**

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**Item No. 4 :**

Mr. Sanjoy Bhattacharya was appointed as an Additional Director on the Board of Directors of the Company with effect from 1st July, 2018, and in terms of the provisions of Section 161 of the Companies Act, 2013, he holds office up to the date of this Annual General Meeting. A notice in terms of Section 160 of the Companies Act, 2013, has been received from a member, signifying his intention to propose Mr. Bhattacharya's candidature for the office of Director of the Company.

Mr. Sanjoy Bhattacharya holds a bachelor's degree in Mechanical Engineering from Jadavpur University and Diploma in Computer in Office Management with gold medal and Post Graduate Diploma in Management from Indira Gandhi National Open University, and has considerable experience in the field of sales & marketing, design, product development, and project related activities for business development. Mr. Bhattacharya is a functional Director (Planning) of Andrew Yule & Company Limited.

The Board of Directors feels that Mr. Bhattacharya's association with the Company would benefit it immensely, and accordingly, the Board recommends the Ordinary Resolution in relation to appointment of Mr. Sanjoy Bhattacharya as set out at Item No. 4 of the accompanying Notice, for approval by the shareholders of the Company.

Mr. Bhattacharya does not hold any shares in the Company and is not related to any Director or Key Managerial Personnel of the Company.

Except for Mr. Sanjoy Bhattacharya, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested in this resolution.

**Item No. 5 :**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved a ceiling limit of Rs. 1000 lakhs (Rupees One Thousand Lakhs only) for the Financial Year 2018-2019, for transactions in the nature of Sales / Service that the Company would enter into, with New Town Telecom Infrastructure Development Company Limited (NTTIDCO), a Related Party of the Company.

In terms of the provisions of Section 188 of the Companies Act 2013, read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, prior approval of the company by a resolution is required for according consent to transactions to be entered into as contracts or arrangements with a Related Party with respect to sale, purchase or supply of any goods or materials, directly or through appointment of agent, where the amount of the transactions in the Financial Year would amount to ten per cent or more of the turnover of the company or rupees one hundred crore, whichever is lower, or with respect to availing or rendering of any services, directly or through appointment of agent, where the volume of such transactions in the Financial Year would amount to ten per cent or more of the turnover of the company or rupees fifty crores, whichever is lower. The Turnover as aforesaid needs to be computed on the basis of the Audited Financial Statement of the preceding Financial Year. Further, as per Regulation 23(4) of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, all material related party transactions shall require approval of the shareholders through resolution and the related parties shall abstain from voting on

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such resolutions whether the entity is a related party to the particular transaction or not, and as per Regulation 23(1) of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Since the amount of transactions to be entered into by the Company with NTTIDCO during the Financial Year 2018-2019 is likely to exceed the prescribed statutory limit for such transactions, the Members' consent is sought for implementation of the said transactions.

The names of the Directors interested in the said resolution and the nature of their interest is as follows:

<b>Name of the Director</b>	<b>Nature of interest</b>
1. Shri Sanjoy Bhattacharya	Director, NTTIDCO
2. Shri Debasis Jana	Director, NTTIDCO

The names of the Key Managerial Personnel interested in the said resolution and the nature of their interest is as follows:

<b>Name of the Key Managerial Personnel</b>	<b>Nature of interest</b>
1. Shri Anirban Gupta (General Manager, Webfil Ltd.)	Director, NTTIDCO

The Board of Directors recommend the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members.

Registered Office:  
"Yule House"  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001  
Dated: 14th August, 2018

**By Order of the Board**  
Shinjinee Bhattacharyya  
Company Secretary

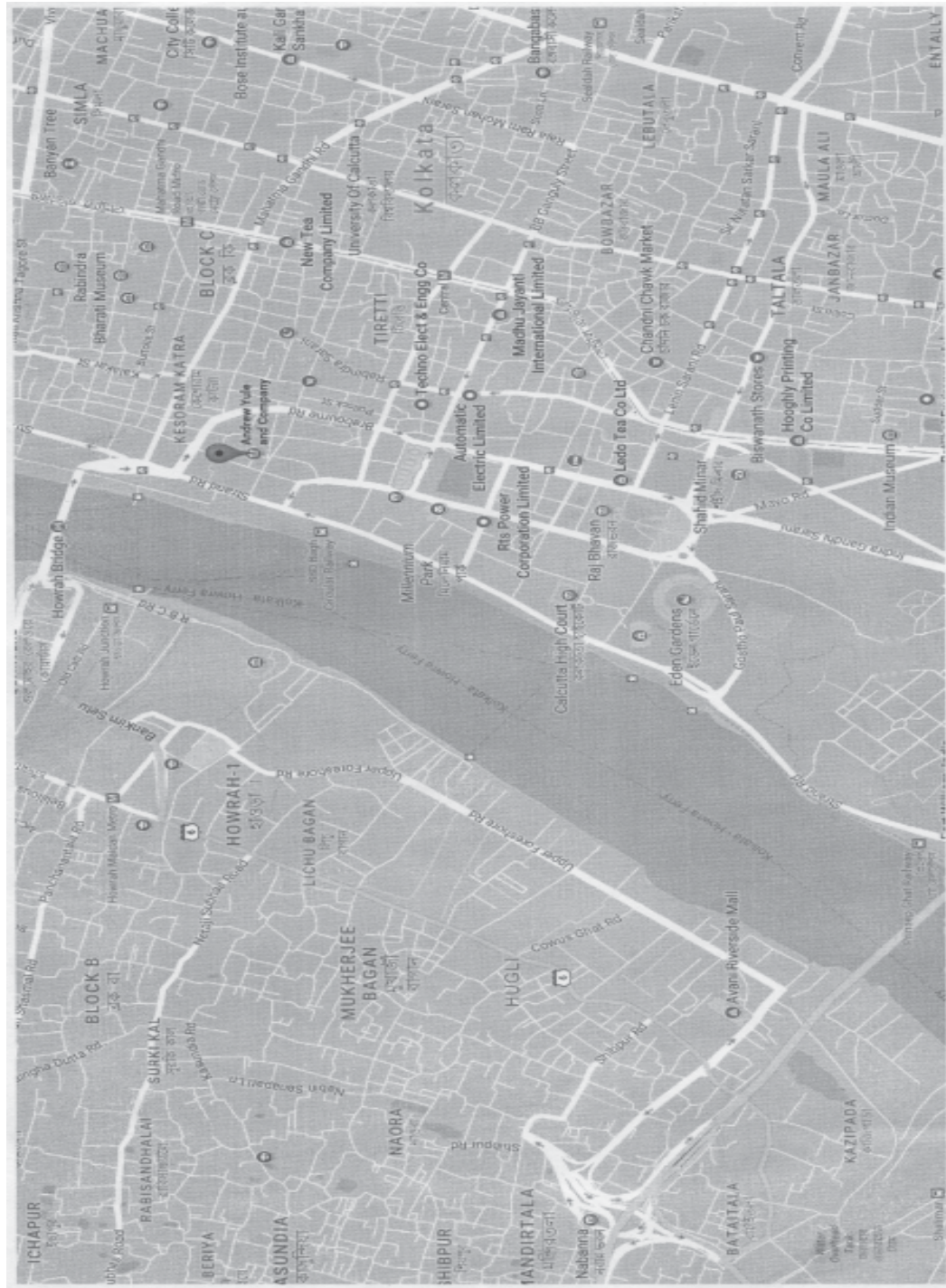
**Details of Directors seeking appointment/re-appointment at the ensuing  
Annual General Meeting  
[In pursuance of SEBI(Listing Obligations and Disclosure Requirements)  
Regulations, 2015]**

Name of Director	Shri Sanjoy Bhattacharya	Shri Debasis Jana
DIN	07674268	07046349
Date of Birth	1 <sup>st</sup> September, 1963	8 <sup>th</sup> August, 1960
Date of Appointment	13 <sup>th</sup> August, 2018	7 <sup>th</sup> November, 2016
Expertise in specific functional area	Sales & marketing, design, product development, and project related activities for business development	Sales & marketing of high-value heavy engineering capital equipments and projects related to boilers and water treatment solutions
Number of Meetings of the Board attended during the Financial Year 2017-2018	N.A.	Three
Qualification	Bachelor's degree in Mechanical Engineering	Bachelor's degree in Mechanical Engineering
Shareholding in the Company	NIL	NIL
List of other Listed Entities where Directorship held Chairman / Member of the Committees of the Board across all Listed Entities in which he is a Director	Andrew Yule & Co. Ltd. (AYCL) Member - Committee of the Board of Directors (AYCL)	Andrew Yule & Co. Ltd. [AYCL] Tide Water Oil Co. (India) Ltd. [TWO] Chairman - Stakeholders Relationship Committee [TWO] Chairman - Committee of the Board of Directors [TWO] Chairman - Risk Management Committee [TWO] Member - Nomination & Remuneration Committee [TWO] Member - Compensation Committee [TWO] Chairman - Risk Management Committee [AYCL] Chairman - Internal Share Transfer Committee [AYCL] Member - Corporate Social Responsibility Committee [AYCL] Member - Stakeholders Relationship Committee [AYCL]

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Chairman / Member of the Committees of the Board of Directors of the Company	Member - Committee of the Board of Directors Member - Nomination & Remuneration Committee Member - Stakeholders Relationship Committee Member - Risk Management Committee	Member - Nomination & Remuneration Committee Member - Committee of the Board of Directors Member - Stakeholders Relationship Committee
Disclosure of relationships between Directors inter se	No relationship shared between Directors inter se	No relationship shared between Directors inter se
Terms and conditions of appointment	Shri Sanjoy Bhattacharya, a Non-Executive Director on the Board of the Company, is entitled to receive Sitting Fees as approved by the Board of Directors for attending meetings of the Board and its Committees of which he is a member. Such Sitting Fees are paid to Andrew Yule & Company Limited, as per his directions. Apart from this, he has no pecuniary relationship with the Company in his personal capacity.	Shri Debasis Jana, a Non-Executive Director on the Board of the Company, is entitled to receive Sitting Fees as approved by the Board of Directors for attending meetings of the Board and its Committees of which he is a member. Such Sitting Fees are paid to Andrew Yule & Company Limited, as per his directions. Apart from this, he has no pecuniary relationship with the Company in his personal capacity.

**ROUTE MAP TO THE VENUE OF 38TH ANNUAL GENERAL MEETING :**



## WEBFIL LIMITED

### DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Dear Shareholders,

Your Directors take pleasure in presenting the Annual Report on the operations of WEBFIL LIMITED ("your Company" or "the Company") together with the Audited Financial Statements for the year ended 31st March, 2018:

#### 1. SUMMARY OF FINANCIAL RESULTS\* :

	(Rs. in "000") Year ended 31st March, 2018	(Rs. in "000") Year ended 31st March, 2017
Revenue from operations	415644.00	349623.78
Profit/(loss)beforeTax (after Exceptional Items)	18726.54	524.22
Tax expenses (including Deferred Tax)	12243.44	1543.97
Profit/(loss) for the period	6483.10	(1019.75)
Other Comprehensive Income	2608.76	(1194.82)
Total Comprehensive Income for the period	9091.86	(2214.57)

\* Pursuant to the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards notified under Section 133 of the Companies Act 2013, applicable Rules made thereunder, and relevant provisions of the Companies Act 2013 (collectively "Ind AS") with effect from 1st April, 2017. The transition to Ind AS was carried out in accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards" with the date of transition as 1st April, 2016. Users of this Report may refer to Note 36 of the Notes on Financial Statements for the year ended 31st March, 2018, for descriptions of the effect of the transition and reconciliations required as per Ind AS 101.

#### 2. DIVIDEND

In view of the accumulated loss of earlier years, your Directors regret their inability to recommend payment of any dividend.

#### 3. PERFORMANCE

The overall performance of the Company during the year under review is summarised hereunder:

The Revenue from Operations has increased from Rs. 3496.24 lakhs achieved in the last year to Rs. 4156.44 lakhs in the financial year 2017-2018. The Company earned a Profit (before Tax) of Rs. 187.26 lakhs as compared to a Profit (before Tax) of Rs. 5.24 lakhs earned in the previous year.

The Total Revenue of the Filament Division decreased from Rs. 496.12 lakhs in 2016-17 to Rs.493.24 lakhs during the year 2017-18. The Profit (before tax) earned by the Division increased from Rs.(265.54) lakhs in 2016-17 to Rs. (239.22) lakhs during the year under review.

The Total Revenue of the Digital Division increased from Rs.3000.12 lakhs in 2016-17 to Rs.3663.20 lakhs during the year 2017-18. The Digital Division earned a Profit (before tax) of Rs.342.92 lakhs during the year 2017-18 as compared to a Profit (before tax) of Rs.285.02 lakhs during the previous year 2016-17.

#### **4. PROSPECTS**

##### **4.1 FILAMENT DIVISION**

The decline in revenue generated by the Filament Division is expected to be offset by the Company's efforts at diversification into various IT related services, as well as anticipated increase in revenue earned through UFSBI and BPAC business. The value of exports on FOB basis for the year ended 31st March, 2018 amounted to Rs.322.03 lakhs.

##### **4.2 DIGITAL DIVISION**

The Digital Division's initiative in Special Projects is on a growth path, and the Company expects this business to contribute substantially to the Company's overall turnover this year also. The Railway Signalling products, namely UFSBI and BPAC have been upgraded to 'Part I' of RDSO vendor list, a prerequisite to direct participation in Indian Railways tenders without any quantity restriction, therefore making a major contribution to the Company's growth in the Financial Year ended 31st March, 2018, and it's expected to make a significant contribution in the current Financial Year as well.

#### **5. FUTURE GROWTH**

As mentioned earlier, Company's diversification into Special Projects is likely to grow further in the coming years. This apart the Company is also exploring several other alternatives for growth of their business in the field of Communication. The Company's Research and Development wing is working on developing a few variants of the existing UFSBI / BPAC, each of which is expected to have different fields of application, that is likely to accelerate the Company's growth rate further.

#### **6. MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion & Analysis Report for the year under review, as stipulated under SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, is presented in a separate section forming part of the Annual Report as Annexure I.

#### **7. CORPORATE GOVERNANCE**

The report on Corporate Governance as stipulated under SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, along with a certificate from the Statutory Auditor of the Company confirming the compliance, is annexed and forms part of the Annual Report.

## **WEBFIL LIMITED**

### **8. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- i. in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with the proper explanation relating to material departures, if any;
- ii. the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the annual accounts on a going concern basis;
- v. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- vi. the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

### **10. PERFORMANCE OF JOINT VENTURE COMPANIES AS PER RULE 8(1) OF THE COMPANIES (ACCOUNTS) RULES, 2014**

New Town Telecom Infrastructure Development Co. Ltd. (NTTIDCO), the Company's joint venture with West Bengal Housing Infrastructure Development Corporation Ltd. (WBHIDCO), was incorporated in 2006 with objectives of carrying on business activities relating to creation of telecom infrastructure.

Total Revenue earned by NTTIDCO in the year 2017-2018 decreased to Rs.770.39 lakhs as compared to Rs.828.77 lakhs earned in the previous year, and Profit before Tax reported for the year 2017-2018 was Rs. 533.09 lakhs whereas, in the previous year it had been Rs. 611.78 lakhs.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies(Accounts)Rules 2014, Form AOC-1 containing the salient features of the Audited Financial Statements of New Town Telecom Infrastructure Development Co. Ltd. (NTTIDCO) for the year ended 31st March, 2018, has been enclosed with this report as Annexure VII.

### **11. ISO ACCREDITATION**

Digital Division of the Company received certificate on Management system as per ISO 9001:2008 for the scope of Design, Manufacture and Servicing of Equipments related to Digital Communications, Power Supply, Signalling, Display and Protection of Power Distribution Systems from TUV NORD CERT GmbH Certification Body, Mumbai.

**12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There has been no material change(s) and commitment(s) affecting the financial position of the Company, occurring between the end of the financial year to which these financial statements relate and the date of the report.

**13. DIRECTORS**

The Board of Directors had appointed Mr. R.C.Sen [DIN: 07131320], as an Additional Director with effect from 1st September, 2017. Subsequent to Mr. R.C.Sen's resignation from the Board of Directors with effect from close of business on 30th June, 2018, Mr. Sanjoy Bhattacharya [DIN:07674268] has been appointed as an Additional Director by the Board of Directors with effect from 1st July, 2018, who, in terms of Section 161 of the Companies Act, 2013, holds office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sanjoy Bhattacharya as a Director, for approval by the shareholders of the Company.

Mr. Sunil Munshi resigned from the Board of Directors of the Company with effect from close of business on 31st August, 2017 upon retirement. The Board has placed on record its sincere appreciation and gratitude for contributions made by him during his association with the Company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Debasis Jana, Non-Executive Director of the Company, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

The brief details relating to Mr. Sanjoy Bhattacharya and Mr. Debasis Jana are furnished in the notes annexed to the Notice of the ensuing Annual General Meeting of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Directors do not share any relationship inter se.

**14. KEY MANAGERIAL PERSONNEL**

The following are the Key Managerial Personnel of the Company:

- i. Mr. Anirban Gupta : Chief Executive Officer
- ii. Mr. Jayanta Kumar Datta : Chief Financial Officer
- iii. Ms. Shinjinee Bhattacharyya : Company Secretary

## **WEBFIL LIMITED**

### **15. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION**

The Company has framed a Remuneration Policy, in relation to remuneration of Directors, Key Managerial Personnel, Senior Management and other employees of the Company, as recommended by the Nomination & Remuneration Committee of the Board of Directors. The same, inter alia contains matters stated under Section 178 of the Companies Act, 2013 and Part D of Schedule II of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the policy have been furnished in the Corporate Governance Report forming part of this Annual Report.

The Remuneration Policy, as framed, is enclosed with the Directors' Report as Annexure II. The web address of the policy is <http://www.webfilindia.com/uploads/policy/Remuneration%20Policy.pdf>.

Although the Remuneration Policy, inter alia, pertains to matters relating to the remuneration, perquisites for the Whole-time/Executive/Managing Director, the Directors wish to inform that at present, there are no such Directors on the Board of the Company.

### **16. ANNUAL EVALUATION OF BOARD'S PERFORMANCE**

In compliance with the Companies Act, 2013, Regulation 17(10), and Regulation 19(4) read with Part D of Schedule II of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, the performance evaluation of the Board, individual Directors, and Committees of the Board was carried out for the year under review after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board Evaluation and Diversity Policy framed by the Company, details of which are covered in the Corporate Governance Report, contains additional criteria for the aforesaid appraisal.

### **17. CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder, are not applicable to the Company.

### **18. VIGIL MECHANISM /WHISTLE BLOWER POLICY**

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, the Company has framed a Vigil Mechanism / Whistle Blower Policy to report concerns about the Company's working or about any violation of its policies. The said Policy is disclosed on the website of the Company and may be accessed at the web link <http://www.webfilindia.com/uploads/policy/VIGIL%20MECHANISM.pdf>

### **19. RISK MANAGEMENT**

A sub-committee of the Risk Management Committee of the Company, has been formed, on whom the following responsibilities have been delegated:



- i. Review and implementation of the Risk Management Policy of the Company including identification of elements of risk, which may threaten the existence of the Company.
- ii. Design of risk assessment and risk minimization procedures.
- iii. Supervision of risk management plans and evaluation of risk management systems.

The observations of the above sub-committee are periodically reviewed by the Audit Committee and the Board of Directors.

A Risk Management Plan as required under Regulation 17(9) of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, has been adopted. Relevant details of the Risk Management Committee constituted by the Board of Directors have been furnished in the Corporate Governance Report.

## **20. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT- 9 as required under Section 92 of the Companies Act, 2013, is annexed as Annexure III, and forms part of this Report. It can also be accessed at the web link [http://www.webfilindia.com/uploads/notice/extract\\_of\\_annual\\_return\\_2017-2018.pdf](http://www.webfilindia.com/uploads/notice/extract_of_annual_return_2017-2018.pdf)

## **21. NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

There were 5 (Five) meetings of the Board of Directors of the Company held during the year 2017-18 on 29th May, 2017, 8th August, 2017, 13th September, 2017, 12th December, 2017, and 14th February, 2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015.

## **22. CHANGES IN SHARE CAPITAL**

The Paid-up Equity Share Capital as on 31st March, 2018 was Rs.8.53 Crores divided into 85,32,500 Equity shares of Rs. 10/- each, fully paid up. During the year the Company has not issued any ordinary shares or shares with differential voting rights neither granted stock options nor sweat equity.

## **23. AUDIT COMMITTEE**

The Audit Committee of the Board of Directors of the Company is comprised of Mr. Sujit Chakravorti as the Chairman, Mr. Asoke Kumar Dutt and Mr. Soumen Das. The Company Secretary is the Secretary of the Committee. The Chief Executive Officer and Chief Financial Officer are permanent invitees to the meetings of the Committee. During the year there was no instance where the Board had not accepted the recommendation of the Audit Committee.

The details of terms of reference of the Audit Committee, number and dates of meetings held, attendance of the Directors and remuneration paid to them are given separately in the attached Corporate Governance Report.

## WEBFIL LIMITED

### 24. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors as on 31st March, 2018, was comprised of Mr. Sujit Chakravorti as the Chairman, and Mr. Asoke Kumar Dutt, Mr. Soumen Das, Mr. R.C.Sen and Mr. Debasis Jana as Members of the Committee. The Company Secretary acts as the Secretary of this Committee. The Chief Executive Officer and Chief Financial Officer are permanent invitees to the meetings thereof.

The details of terms of reference of the Nomination and Remuneration Committee are given separately in the attached Corporate Governance Report.

### 25. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Details pertaining to materially significant transactions with related parties during the financial year at arm's length price have been disclosed in Form No. AOC-2 as appearing in Annexure IV to the Board's Report in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

All Related Party Transactions were placed before the Audit Committee for approval.

The policy on Related Party Transactions as approved by the Board is disclosed on the website of the Company and may be accessed at the web link  
<http://www.webfilindia.com/uploads/policy/Related%20Party%20Transaction%20Policy.pdf>

### 26. DISCLOSURES UNDER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES, 2014

- i. Financial summary or highlights : As detailed under the heading 'Performance'
- ii. Change in the nature of business, if any : None
- iii. Details of Directors or Key Managerial Personnel (KMP), who were appointed or resigned during the year:
  - a. Director(s) appointed : Mr. R.C.Sen
  - b. Director(s) resigned : Mr. Sunil Munshi
- iv. Names of Companies which have become or ceased to be Subsidiaries, Joint Venture Companies or Associate Companies during the year: The following Companies had been classified as Associate Companies in the Financial Statements of the Company for the year ended 31st March, 2017, as part of the 'Related Parties Disclosures' made in such Financial Statements:
  - a. Andrew Yule & Company Limited
  - b. Tide Water Oil Company (India) Limited
  - c. Yule Agro Industries Limited

However, following revision of the Company's list of Related Parties to align the same with the requirements of relevant provisions of the Companies Act 2013 (the Act) and other applicable statutory provisions, as approved by the Board of Directors of the Company, the above mentioned Companies, i.e. Andrew Yule &



Company Limited, Tide Water Oil Company (India) Limited, and Yule Agro Industries Limited, have ceased to be regarded as Associate Companies of WEBFIL LIMITED, and consequently, are no longer regarded as Related Parties of the Company.

- v. Details relating to deposits: There were no fixed deposits of the Company from the public, outstanding at the end of the financial year. No fixed deposit has been accepted during the year and as such, there is no default in repayment of the said deposits.
- vi. There has not been any deposit, which is not in compliance with the requirements of Chapter V of the Companies Act, 2013.
- vii. No significant and material orders have been passed by any Regulator(s) or Court(s) or Tribunal(s) impacting the going concern status and Company's operations in future.
- viii. Internal Control systems and their adequacy: The Company has adequate internal control procedures commensurate with the size and nature of its business, which ensures that all assets are safeguarded and protected against loss and all transactions are recorded and reported correctly.

The internal control systems of the Company are monitored and evaluated by M/s. A. N. Chatterjee & Co., Chartered Accountants, Internal Auditor of the Company and their audit reports are periodically reviewed by the Audit Committee of the Company.

The scope of Internal Audit, inter alia includes scrutiny of Sales Order, Sales Bill, Credit Notes, Tenders, Purchase Orders received and others, which are also considered by the Statutory Auditors while conducting audit of the Annual Financial Statements.

- ix. Disclosure as to whether maintenance of cost records as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained : Not applicable.
- x. Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 : An Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has been constituted.

**27. DISCLOSURE AS PER RULE 5(1) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed with this report as Annexure V.

**28. PARTICULARS OF EMPLOYEES AS PER RULE 5(2) & 5(3) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed with this report as Annexure VI.

## **WEBFIL LIMITED**

### **29. AUDITOR & AUDITOR'S REPORT**

#### **STATUTORY AUDITORS**

The Comptroller & Auditor General of India had appointed M/s. Marodia Khanna & Associates, Chartered Accountants, as Statutory Auditors of the Company for the year ended 31st March, 2018 pursuant to the provisions of Section 139(5) of the Companies Act, 2013.

The Statutory Auditors have given the following opinion in their Report to the members of the Company:

#### **"Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its Profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date."

#### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. Deepak Swain (C.P. No. 9131), Proprietor of M/s. S. Deepak & Associates, Company Secretaries, 7A, Bentinck Street (New Wing), 1st Floor, Room No. - 101, Kolkata - 700001, to undertake the Secretarial Audit of the Company for the Financial Year 2017-2018. The Secretarial Auditor's Report is attached hereto as Annexure VIII and forms a part of this report.

In his Report, the Secretarial Auditor has made the following comments:

#### **"Matter of Emphasis**

Pursuant to Section 152(6) of the Act, 2/3rds of the total directors (except Independent Directors) of a Company shall be rotational directors. Thus, while the Company needed 3 (Three) rotational directors, it had only 2 (Two) rotational directors on its Board."

In respect of the comments made by the Secretarial Auditor in his report, the Directors have stated that:

As per Section 152(6)(a)(i) of the Companies Act, 2013 (the Act), not less than two-thirds of the total number of Directors (excluding Independent Directors) are required to be persons whose period of office is liable to determination by retirement of Directors by rotation. However, at present, there are two Directors on the Company's Board who are liable to retire by rotation, whereas, there should be at least three such Directors in accordance with the Act. The Directors have taken note of the matter for determining the appropriate course of action with regard thereto.

### **30. COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS**

The Comptroller and Auditor-General of India (CAG) have no comment to make under Section 143(6)(b) of the Companies Act, 2013, on the Financial Statements of the Company for the year ended 31st March, 2018.

The comments of the Comptroller and Auditor-General of India on the Financial Statements of the Company for the year ended 31st March, 2017, under Section 143(6)(b) of the Companies Act, 2013, that had not been received by the Company as on the date of dispatch of the Annual Report of the Company for the year ended 31st March, 2017, are as follows:

**"A. Comments on profitability  
Profit and Loss Statement  
Expenditure  
Other Expenses (Note-25) - Rs.5.39 crore**

The above was understated by Rs. 6.19 lakh due to non-provision of electricity expenses for the month of March 2017.

This has resulted in understatement 'Current Liabilities' with corresponding overstatement of 'profit for the year' by Rs. 6.19 lakh.

**B. Other comments  
General**

Industrial Reconstruction Department, Government of West Bengal, through a Demand Notice, revised (March 2013) the rate of interest on Sale Tax loan from 8.75 to 9.25 per cent w.e.f. April 2009. The Company, however, requested (April 2013) the department to reconsider its demand and not to impose increased rate of interest. In view of pendency of decision at Government's end, the Company continued to provide the rate of interest @ 8.75 per cent in its accounts even for 2016-17 without any disclosure there against. The matter should have been disclosed by way of a note on accounts.

With regard to the comment under point no. "A" above, the Directors wish to state that non-provision of electricity expenses amounting to Rs.6.19 lakh was not a mistake, it was only a practice the Company had been following for a long time of accounting for electricity bills, for 12 months commencing from March to February as electricity bill for the month of March is always received much after the closure of the Company's accounts. However, the point has been noted, and has been appropriately dealt with, in the Financial Statements of the Company for the Financial Year 2017-2018.

With regard to the comment under point no. "B" above, the Directors wish to state as follows:

It is a long-standing dispute in respect of the rate of interest on the Sales Tax loan. The Company was accounting for interest @ 8.75% from 2003, i.e., the inception of the loan. Subsequently, in 2009, the Company was advised by a communication from the Government of West Bengal to provide/pay interest @ 9.25%. The Company wrote back requesting the Government to maintain the same interest rate as per the original sanction letter, i.e., letter no. 611-IR dated 11.02.2003. Thereafter, a substantial time has already elapsed. No reply has yet been received. In the circumstances, the Board decided to provide interest on Sales Tax loan @ 8.75%, in terms of sanction letter dated 11.02.2003.

**31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required to be disclosed under provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are furnished in Annexure IX and forms part of the Directors' Report.

**32. ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the shareholders, financial institutions, customers, suppliers, bankers, government authorities, local bodies around the plant area and all other business associates, during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees at all the levels of the Company.

Place: Kolkata  
Dated: 14th August, 2018

On behalf of the Board  
**JAYANTA RAY**  
Chairman

**MANAGEMENT DISCUSSION & ANALYSIS REPORT****Industry structure and developments**

The telecommunication industry in India, has registered rapid growth over the past decade, and propelled by favourable regulation policies of the Government, the Indian telecom sector is expected to witness further growth in the next few years. The deregulation of Foreign Direct Investment (FDI) norms coupled with Government reforms in support of initiatives like Digital India, etc., are expected to provide ample scope for the sector's growth in the near future. The Company's Digital Division, engaged primarily in manufacture of a range of telecommunication equipments, and execution of turnkey projects for telecommunication networks, is progressing at a commendable pace, and the recent reforms in the telecom sector are expected to have a favourable impact on the Division's initiatives for further growth.

The Digital Division continues to serve the Indian Railways significantly, and recent initiatives in the sector aimed at empowerment of Indian Railways have lifted the Division's hopes of augmenting the volume of business transacted with the Railways. The 'Digital India' campaign launched by the Government of India is likely to result in growth of telecom infrastructure projects undertaken across the country with the objective of providing citizens with increased Internet connectivity, and improved online infrastructure for accessing services electronically. The Special Projects segment of the Digital Division hopes to reap substantial amount of benefits from such developments.

The manufacture of illumination devices in the country is undergoing modernisation and due to increasing demand for energy-efficient products, the business volume of the Company's Filament Division is not likely to develop further.

**Opportunities and Threats**

The Company has considerable experience in the field of Communication, and using this expertise, it is exploring business opportunities beyond those offered by the Railways, especially in the fields of IT and ITES projects of various State Governments and Central Government, where the business prospects are promising due to the Government of India's initiatives to make the 'Digital India' campaign successful.

**Segment wise performance**

Segment wise performance of the Company has been mentioned in Note No. 46 to the Financial Statements.

**Outlook**

Further augmentation of the business generated by the Company's Digital Division is expected to be brought about through participation in Special Projects.

The Company has been upgraded to 'Part I' of RDSO Approved Vendor list which enabled it to achieve a significant volume of sales in the Financial Year 2017-2018, and such upgradation is expected to accelerate the Company's growth in the current Financial Year as well.

The prospects of the Company's Filament Division look bleak, owing to lamp filaments losing out their market share to energy-efficient substitutes like LEDs amid rapid technological innovations in the country's illumination devices industry, in support of initiatives toward environment protection.

**Risk & Concerns**

Since substitutes for lamp filaments such as LEDs are fast emerging in the market, the Filament Division's products are on the verge of obsolescence. To counteract this risk, the Company is diversifying into various IT related services such as implementation of Wi-Fi Network, CCTV & Surveillance projects, Access Control, etc.

**Internal Control System**

The Company has proper and adequate system of internal control commensurate with the size of the business, and the same has been monitored and evaluated by M/s. A.N.Chatterjee & Co., Chartered Accountants, Internal Auditor of the Company, whose reports are periodically reviewed by the Audit Committee of the Company.

**Financial Performance**

The Financial Performance of the Company has been detailed in its Financial Statements for the year 2017-2018.

**Human Resources**

During the year, employer - employee relationship remained cordial. The number of permanent employees on the rolls of the Company as on 31st March, 2018 was 129.

**Disclosure of Accounting Treatment**

Accounting treatment has been disclosed in the Financial Statements for the year ended 31st March, 2018.

## **REMUNERATION POLICY**

Webfil Limited (the "Company") has constituted a Nomination and Remuneration Committee ("Committee") in its Board meeting held on 20th August, 2014 as per the terms and conditions provided in Section 178 of the Companies Act, 2013 and Part D of Schedule II of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015. As per the provisions, the Company is required to frame a Policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and other employees of the Company.

### **1. Objective of the Policy**

The policy is framed with the objective(s) stated herein below:

- a. Whether based on the Company's size and financial position, the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- b. Whether relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. Whether remuneration to Directors, Key Managerial Personnel (KMP) and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### **2. Applicability**

This policy is applicable to:

- i) Directors viz. Executive, Non-executive and Independent
- ii) Key Managerial Personnel ("KMP")
- iii) Senior Management Personnel
- iv) Other Employees of the Company

### **3. Matters relating to the remuneration, perquisites for the Whole-time / Executive / Managing Director**

- i. The remuneration / compensation / profit-linked commission etc. to the Whole-time / Executive / Managing Directors will be recommended by the Committee and approved by the Board of Directors. In the event, if the same requires shareholders' sanction; the same should be suitably obtained. The remuneration / compensation / profit-linked commission etc. shall be in accordance with the provisions laid in the Companies Act, 2013 and shall be subject to such approval, as stated therein.
- ii. If, in any financial year, the Company has no profits or its profits are inadequate, the

company shall pay remuneration to its Whole-time Director / Executive / Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

- iii. Increments to the Whole-time / Executive / Managing Director shall be within the slabs approved by the shareholders. Increments will be effective from 1st April in respect of a Whole-time / Executive / Managing Director as well as in respect of other employees of the Company, unless otherwise decided.

#### **4. Remuneration to Non-executive / Independent Director**

The Non-executive / Independent Directors of the Company shall be paid sitting fees as per the limit sanctioned by the Board, from time to time, subject to applicable Regulations. The Non-executive / Independent Directors, may also be paid Commission, within the limits as stated under the Companies Act, 2013 or any other relevant statute, agreement, etc., as amended from time to time, on sales achieved by the Company, subject to such approvals, as may be statutorily required.

#### **5. Remuneration to KMP, Senior Management Personnel and Other Employees**

The KMP, Senior Management Personnel and other Employees of the Company shall be paid monthly remuneration as per the Company's policies. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, etc. shall be as per the Company's policies.

If the remuneration of KMPs or any other officer is to be specifically approved by the Committee and/or the Board of Directors under any statute, such approval will be accordingly procured.

This remuneration policy shall apply to all future / continuing employment with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes. The Board reserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever.

#### **6. Interpretation**

Words/phrases used in the Policy shall, in absence of any contrary specified hereinabove, carry the same meaning as stated under the Companies Act, 2013 read with rules framed thereunder further read with relevant SEBI Listing Regulations.

Place: Kolkata  
Dated: 14th August, 2018

On behalf of the Board  
**JAYANTA RAY**  
Chairman

**WEBFIL LIMITED****ANNEXURE III****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN****As on Financial Year ended on 31.03.2018****Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014****I. REGISTRATION & OTHER DETAILS:**

i) CIN	L36900WB1979PLC032046
ii) Registration Date	31.05.1979
iii) Name of the Company	WEBFIL LIMITED
iv) Category/Sub-category of the Company	Public Limited / Limited by Shares
v) Address of Registered office and contact details	"YULE HOUSE", 8, Dr. Rajendra Prasad Sarani, Kolkata - 700 001 Tel. : (033) 2242 8210/8550 Fax : (033) 2242 1335 E-mail : webfil@webfilindia.com Website : www.webfilindia.com
vi) Whether listed company	Yes
vii) Name, Address & contact details of the Registrar & Transfer Agent, if any	M/s. MCS Share Transfer Agent Limited 12/1/5, Manoharpukur Road, Kolkata - 700 026 Tel. : (033) 4072 4051/4052/4053 Fax : (033) 4072 4050 Email : mcssta@rediffmail.com Website : www.mcsregistrars.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY****(All the business activities contributing 10% or more of the total turnover of the company shall be stated)**

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Filaments	27339	11.82 (Approx.)
2.	Drop/Insert Digital Multiplexer with Accessories	26309	29.46 (Approx.)
3.	UFSBI	30205	14.78 (Approx.)
4.	Contracts of Sales/Service with New Town Telecom Infrastructure Development Company Limited(NTTIDCO). Services provided involved: a) trenching, laying and back filling and such other jobs with different size (mainly 40/33 mm) HDPE PLB Duct into different depths (mainly 1.2 Mtr.) at New Town, Rajarhat for renting out the same to various operators for their multifarious utility services, and b) implementation of 2nd phase Wi-fi Network Services on part of internal roads/streets within the Nabadiganta Industrial Township Area (NDITA) and to unite with the working 1st phase Wi-Fi Network services within the NDITA, management and maintenance of Wi-Fi Network services of New Town within Rajarhat and 1st phase Wi-Fi Network Services within the Nabadiganta Industrial Township Area.	42209  42202	15.33 (Approx.)

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	New Town Telecom Infrastructure Development Company Limited (NTTIDCO) CD/6 & 7, 04-2222, MAR (S.E.), 1st & 2nd Floor, Action Area - 1C, New Town, Rajarhat, Kolkata - 700156	U45204WB2006SGC109325	Associate Company	49% in NTTIDCO	Section 2(6) of the Companies Act 2013

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### a. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	-	-	-	0.00	-	-	-	0.00	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	5315296	5315296	62.29	-	5315296	5315296	62.29	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	0.00	-	-	-	0.00	0.00
<b>Sub-total (A)(1)</b>	-	5315296	5315296	62.29	-	5315296	5315296	62.29	0.00
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter(A) (A) = (A)(1) + (A)(2)</b>	-	5315296	5315296	62.29	-	5315296	5315296	62.29	0.00

## WEBFIL LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks /FI	-	898420	898420	10.53	-	898420	898420	10.53	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	-	<b>898420</b>	<b>898420</b>	<b>10.53</b>	-	<b>898420</b>	<b>898420</b>	<b>10.53</b>	<b>0.00</b>
<b>(2) Non Institutions</b>									
a) Bodies Corp.									
i) Indian	-	2298980	2298980	26.95	-	2298980	2298980	26.95	0.00
ii)Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	19804	19804	0.23	-	19804	19804	0.23	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
<b>c) Others (Specify)</b>	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	-	<b>2318784</b>	<b>2318784</b>	<b>27.18</b>	-	<b>2318784</b>	<b>2318784</b>	<b>27.18</b>	<b>0.00</b>
<b>Total Public Shareholding (B) (B) = (B)(1) + (B)(2)</b>	-	<b>3217204</b>	<b>3217204</b>	<b>37.71</b>	-	<b>3217204</b>	<b>3217204</b>	<b>37.71</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>8532500</b>	<b>8532500</b>	<b>100.00</b>	-	<b>8532500</b>	<b>8532500</b>	<b>100.00</b>	<b>0.00</b>

**b. Shareholding of Promoter(s)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% Change in
		No. of shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	share holding during the year
	<b>Bodies Corporate</b>							
1	Andrew Yule & Co. Ltd.	145000	1.70	-	145000	1.70	-	0.00
2	The Bengal Coal Co. Ltd.	200000	2.34	-	200000	2.34	-	0.00
3	The New Beerbhoom Coal Co. Ltd.	70000	0.82	-	70000	0.82	-	0.00
4	Yule Financing & Leasing Co. Ltd.	270000	3.16	-	270000	3.16	-	0.00
5	Tide Water Oil Co. (I) Ltd.	410000	4.81	-	410000	4.81	-	0.00
6	West Bengal Industrial Development Corp. Ltd.	4220296	49.46	-	4220296	49.46	-	0.00
	<b>TOTAL</b>	<b>5315296</b>	<b>62.29</b>	<b>-</b>	<b>5315296</b>	<b>62.29</b>	<b>-</b>	<b>0.00</b>

**c. Change in Promoter's Shareholding (please specify, if there is no change)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Andrew Yule & Co. Ltd.	No Change During the Year			
2	The Bengal Coal Co. Ltd.				
3	The New Beerbhoom Coal Co. Ltd.				
4	Yule Financing & Leasing Co. Ltd.				
5	Tide Water Oil Co. (I) Ltd.				
6	West Bengal Industrial Development Corporation Ltd.				

## WEBFIL LIMITED

### d. Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)		Shareholding at the end of the year (As on 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>India Power Corporation Ltd.</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	2003800	23.48 No Change During the Year	2003800	23.48
2.	<b>3A Capital Services Ltd.</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	603340	7.07 No Change During the Year	603340	7.07
3.	<b>Industrial Finance Corporation of India</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	295080	3.46 No Change During the Year	295080	3.46
4.	<b>Amrex Marketing Pvt. Ltd.</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	295080	3.46 No Change During the Year	295080	3.46
5.	<b>Ankit Mahendra Shah</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	1000	0.01 No Change During the Year	1000	0.01
6.	<b>Rupa Raju Doshi</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	800	0.01 No Change During the Year	800	0.01
7.	<b>Thankam Warriar</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	500	0.01 No Change During the Year	500	0.01
8.	<b>Poothirukovil Balakrishna Warriar</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	500	0.01 No Change During the Year	500	0.01
9.	<b>Jogamaya Ghosh</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	500	0.01 No Change During the Year	500	0.01
10.	<b>Kala H Hingu</b> a) At the beginning of the year b) Changes during the year c) At the end of the year	500	0.01 No Change During the Year	500	0.01

**e. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)		Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Non-Executive Directors					
1.	Mr. Jayanta Ray a) At the beginning of the year b) Changes during the year c) At the end of the year	100	0.00 No Change During the Year	100 100	0.00 0.00
2.	Mr. Sujit Chakravorti	-	-	-	-
3.	Mr. Asoke Kumar Dutt a) At the beginning of the year b) Changes during the year c) At the end of the year	100	0.00 No Change During the Year	100 100	0.00 0.00
4.	Mr. Debasis Konar	-	-	-	-
5.	Mr. Soumen Das	-	-	-	-
6.	Mr. Sunil Munshi (resigned w.e.f. 1st September, 2017)	-	-	-	-
7.	Mr. R.C.Sen (appointed w.e.f. 1st September, 2017)	-	-	-	-
8.	Mr. Debasis Jana	-	-	-	-
9.	Mr. Ashis Chakraborty	-	-	-	-
10.	Ms.Sujata Roy	-	-	-	-
Chief Executive Officer					
11.	Mr.Anirban Gupta	-	-	-	-
Chief Financial Officer					
12.	Mr. Jayanta Kumar Datta	-	-	-	-
Company Secretary					
13.	Ms. Shinjinee Bhattacharyya	-	-	-	-

**V. INDEBTEDNESS\***

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

(Rs. in "000")

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	116733.31	35849.60	-	152582.91
ii) Interest due but not paid	101267.36	17426.02	-	118693.38
iii) Interest accrued but not due	599.97	-	-	599.97
<b>Total (i + ii + iii)</b>	<b>218600.64</b>	<b>53275.62</b>	<b>-</b>	<b>271876.26</b>
Change in Indebtedness during the financial year				
* Addition	5446.84	-	-	-
* Reduction		23275.62	-	17828.78
<b>Net Change</b>	<b>5446.84</b>	<b>23275.62</b>	<b>-</b>	<b>17828.78</b>
Indebtedness at the end of the financial year				
i) Principal Amount	113476.66	30000.00	-	143476.66
ii) Interest due but not paid	109970.85	-	-	109970.85
iii) Interest accrued but not due	599.97	-	-	599.97
<b>Total (i + ii + iii)</b>	<b>224047.48</b>	<b>30000.00</b>	<b>-</b>	<b>254047.48</b>

\* The amounts of 'Non-Current Financial Liabilities-Borrowings', 'Current Financial Liabilities-Borrowings', and 'Current Financial Liabilities-Others' in accordance with the relevant Ind AS, have been provided under Note Nos.19, 21 and 23 respectively of the Notes on Financial Statements for the Year ended 31st March, 2018.

## WEBFIL LIMITED

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

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount (in Rs.)
		-	-	-	-	
1.	Gross Salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary u/s. 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Companies Act, 2013	-	-	-	-	-

\* There were no Managing Director, Whole-time Directors and / or Manager in the Company during the financial year 2017 - 18.

#### B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (in Rs.)
		Sujit Chakravorti	Asoke Kr. Dutt	Soumen Das	Sujata Roy	
1.	Independent Directors					
a.	Fee for attending Board / Committee meetings	Rs.26,000/-	Rs. 22,000/-	Rs.26,000/-	Rs. 8000/-	82000
b.	Commission	-	-	-	-	-
c.	Others, please specify	-	-	-	-	-
	Total (1)	Rs. 26,000/-	Rs. 22,000/-	Rs. 26,000/-	Rs. 8000/-	82000

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount (in Rs.)
		Jayanta Ray	Debasis Konar	Sunil Munshi (01.04.2017 - 31.08.2017)	Ashis Chakraborty	R.C. Sen (01.09.2017 - 31.03.2018)	Debasis Jana	
2.	Other Non-Executive Directors							
a.	Fee for attending Board / Committee meetings	Rs.16,000/-	Rs.2,000/-	Rs. 11,000/-	Rs. 4,000/-	Rs. 12,000/-	Rs. 22,000/-	67000
b.	Commission	-	-	-	-	-	-	-
c.	Others, please specify	-	-	-	-	-	-	-
	Total (2)	Rs.16,000/-	Rs.2,000/-	Rs. 11,000/-	Rs. 4,000/-	Rs. 12,000/-	Rs. 22,000/-	67000
	Total (B) = (1 + 2)							149000
	Total Managerial Remuneration							149000
	Overall Ceiling as per the Companies Act, 2013	The remuneration paid to the Directors is within the limits prescribed under the Companies Act, 2013.						

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

(Rs. in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		(CEO) Anirban Gupta	(CFO) Jayanta Kumar Datta	(CS) Shinjinee Bhattacharyya	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.87	12.10	4.07	29.04
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	1.76	2.24	0.31	4.31
	(c) Profits in lieu of salary u/s. 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	<b>14.63</b>	<b>14.34</b>	<b>4.38</b>	<b>33.35</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding			NONE		
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding			NONE		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding			NONE		

Place: Kolkata  
Date : 14th August, 2018

On behalf of the Board  
**JAYANTA RAY**  
Chairman

## WEBFIL LIMITED

Annexure IV

### FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

NOT APPLICABLE

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

- (a) Name(s) of the related party and nature of relationship

New Town Telecom Infrastructure Development Company Limited (NTTIDCO), an Associate Company as per Section 2(6) of the Companies Act 2013.

Works Contract of Sales/Service.  
Repetitive.

- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any

Services provided involved:

a) trenching, laying and back filling and such other jobs with different size (mainly 40/33 mm) HDPE PLB Duct into different depths (mainly 1.2 Mtr.) at New Town, Rajarhat for renting out the same to various operators for their multifarious utility services, and

b) implementation of 2nd phase Wi-fi Network Services on part of internal roads/streets within the Nabadiganta Industrial Township Area (NDITA) and to unite with the working 1st phase Wi-Fi Network services within the NDITA, management and maintenance of Wi-Fi Network services of New Town within Rajarhat and 1st phase Wi-Fi Network Services within the Nabadiganta Industrial Township Area.

The total value of the above transactions during 2017-2018 amounted approximately to Rs. 732.75 Lakhs.

29th May, 2017.

The details of gross amounts received as advances during 2017-2018 are as follows:

07/04/2017 - Rs. 50,00,000/-

06/09/2017 - Rs. 50,00,000/-

14/12/2017 - Rs. 84,24,261/-

- (e) Date(s) of approval by the Board, if any
- (f) Amount paid/received as advances, if any

Place: Kolkata  
Date : 14th August, 2018

On behalf of the Board  
**JAYANTA RAY**  
Chairman

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager during the financial year 2017-18 and ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under :

Sl. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for financial year 2017-18 (Rs. in lakhs)	% increase in remuneration in the financial year 2017-18	Ratio of remuneration of each Director to median remuneration of employees*
1.	Shri Anirban Gupta Chief Executive Officer	14.63	2.88	Not Applicable
2.	Shri Jayanta Kumar Datta Chief Financial Officer	14.34	14.63	
3.	Ms. Shinjinee Bhattacharyya Company Secretary	4.38	15.57	

\* All the Directors of the Company are Non-Executive Directors and none of the Non-Executive Directors received any remuneration other than sitting fees during the financial year 2017-18. Hence, the ratio of remuneration and percentage increase for Non-Executive Directors' Remuneration is not considered for the purpose above.

- ii. The percentage decrease in median remuneration of employees during the financial year ended 31st March, 2018, as compared to previous year was approximately 1.36%.
- iii. The number of permanent employees on the rolls of Company as on 31st March, 2018: 129
- iv. Average percentage decrease in the remuneration (i.e. total employee benefit expenses) of all employees other than the managerial personnel in the financial year 2017-18 was approximately 3.96% whereas increase in the managerial remuneration in the same financial year was approximately by 15.91%. For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.
- v. It is hereby affirmed that the remuneration paid during the financial year ended 31st March, 2018 is as per the Remuneration Policy of the Company.

## WEBFIL LIMITED

### ANNEXURE VI

#### STATEMENT OF EMPLOYEES' DETAILS PURSUANT TO RULE 5(2) AND RULE 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details pertaining to top ten employees in terms of remuneration drawn are as follows:

Sl. No.	Name	Designation	Approximate Remuneration received in the year 2017-2018 (Rs.)	Nature of employment	Qualifications and experience
1.	ANIRBAN GUPTA	General Manager	1462746.00	Contractual	BE(Electronics) 22 yrs.(approx.)
2.	ASHIS MITRA	Dy. General Manager(Works)	1443466.00	Contractual	BE(Electronics&Telecom) 30 yrs.(approx.)
3.	JAYANTA KUMAR DATTA	Dy. General Manager(F&A)	1434592.00	Contractual	AICWA, PGDM, M.COM 29 yrs.(approx.)
4.	BARUNESH KAYAL	Sr.Manager(Marketing& Projects)	1077367.00	Contractual	BE(Electronics&Telecom) 30 yrs.(approx.)
5.	TAPAS KUMAR SARKAR	Sr. Manager(Marketing)	1077272.00	Contractual	B.Tech(ECE) 30 yrs.(approx.)
6.	SEKHAR KUMAR GHOSH	Manager(Materials)	894862.00	Contractual	B.COM,PGDBM 30 yrs.(approx.)
7.	SWARUP BHAR	Manager(Development)	882621.00	Contractual	B.Tech(Radiophysics& Electronics), B.SC(H) 16 yrs.(approx.)
8.	BUDDHADEB BHATTACHARYA	Dy. Manager(Mktg. & Projects)	820290.00	Contractual	B.Com 26 yrs. (approx.)
9.	LAKSHMAN KUMAR CHATTERJEE	Asst.Manager(Accounts & Admin.)	790165.00	Contractual	B.COM(H) 34 yrs.(approx.)
10.	ANUPAM BHATTACHARYYA	Dy. Manager (Production)	778253.00	Contractual	M.Sc.(Mathematics) 25 yrs. (approx.)

Date of commencement of employment	Age [Approximately]	Last employment held before joining the Company	Percentage of equity shares held by the employee in the Company	Whether a relative of any director/manager of the Company
17.01.1996	50 yrs.	Not Available	Not Applicable	Not Applicable
30.12.1988	55 yrs.	Asst.Mgr.(Electronics Maintenance), Indian Telephone Industries Ltd.	Not Applicable	Not Applicable
25.07.1989	55 yrs.	Not Applicable	Not Applicable	Not Applicable
27.01.1988	55 yrs.	Software Engineer, Micronics Corporation	Not Applicable	Not Applicable
01.09.1988	57 yrs.	Sales Engineer, Indchem Electronics Ltd.	Not Applicable	Not Applicable
27.12.1988	56 yrs.	Canvasser, Godrej & Boyce Mfg. Co. Pvt. Ltd.	Not Applicable	Not Applicable
02.11.2002	44 yrs.	Not Available	Not Applicable	Not Applicable
01.01.1992	52yrs.	Not Applicable	Not Applicable	Not Applicable
20.10.1984	57 yrs.	Not Available	0.0006	Not Applicable
05.02.1993	54 yrs.	Not Available	Information not available	Information not available

## WEBFIL LIMITED

### ANNEXURE VII

#### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

##### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	NOT APPLICABLE
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

#### Notes:

1. Names of subsidiaries which are yet to commence operations - Not Applicable
2. Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associate Company	New Town Telecom Infrastructure Development Company Limited (NTTIDCO)
1.	Latest audited Balance Sheet Date	31st March, 2018
2.	Shares of Associate Company held by the company on the year end	
	No.	51450
	Amount of Investment in Associate Company (Rs.)	5145000
	Extent of Holding%	49.00
3.	Description of how there is significant influence	Associate Company
4.	Reason why the Associate Company is not consolidated	<p>The Audited Financial Statements of the Associate Company for the year ended 31st March, 2018, were provided after the Statutory Audit of Webfil Limited for the Financial Year 2017-2018 had been completed, and therefore, it was not possible to consolidate NTTIDCO's Audited Financial Statements for the Financial Year 2017-2018.</p> <p>Further, Webfil Limited being a listed company, it was not possible to delay implementation of Indian Accounting Standards, which is not mandatory in case of NTTIDCO, that followed GAAP. If the Company wanted to convert NTTIDCO's accounts on the basis of Indian Accounting Standards, a lot of information would have been required which could not have been possible as the two companies have two separate Board of Directors and management. In the circumstances, even if NTTIDCO's accounts were received on time, it would not have been possible to consolidate the two companies' accounts.</p>
5.	Net worth attributable to shareholding as per latest audited Balance Sheet (Rs. in Lakhs)	809.86
6.	Profit for the year	
i.	Considered in Consolidation	-
ii.	Not Considered in Consolidation (Rs. in Lakhs)	132.68

### Notes:

- Names of associates or joint ventures which are yet to commence operations - Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

On behalf of the Board

Jayanta Ray  
Sujit Chakravorti  
R.C.Sen  
Jayanta Kumar Datta  
Shinjinee Bhattacharyya

Chairman  
Director  
Director  
Chief Financial Officer  
Company Secretary

Place: Kolkata  
Dated: 13th June, 2018

## **WEBFIL LIMITED**

Form No. MR-3

### **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018**

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

To  
The Members,  
WEBFIL LTD.,  
YULE HOUSE,  
8, DR. RAJENDRA PRASAD SARANI,  
KOLKATA-700001.

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

Based on our verification of the Company's books , papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company , its officers , agents and authorised representatives during the conduct of secretarial Audit ,we hereby report that in our opinion , the Company has during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act , 2013 (The Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and Rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act , 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;
- (f) The Securities Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as "Listing Regulations, 2015");
- (vi) Secretarial Standards 1 and 2 as issued by The Institute of Company Secretaries of India  
We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances of the following laws applicable specifically to the Company:
  - (a) The Hazardous Waste (Management & Handling) Rules, 1983
  - (b) The E-Waste (Management and Handling) Rules, 2011
  - (c) The Gas Cylinder Rules, 2004
  - (d) The Electricity Act, 2003 (with amendment 2003 & 2007)
  - (e) The Explosive Act, 1884 & its amendment.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect laws, since the same have been subject to review during statutory financial audit and by other designated professionals.

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

#### **We further report that**

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

## **WEBFIL LIMITED**

All decisions at Board Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

### **Matter of Emphasis**

Pursuant to Section 152(6) of the Act, 2/3rds of the total directors ( except Independent Directors) of a Company shall be rotational directors. Thus, while the Company needed 3 (Three) rotational directors, it had only 2 (Two) rotational directors on its Board.

**We further report** that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

**We further report** that during the audit period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines.

This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

Place : Kolkata

Date : 27th July, 2018

**For S. Deepak & Associates**

**Company Secretaries**

CS Deepak Swain

Proprietor

ACS-25625, C. P. No. 9131



**ANNEXURE - I**

To  
The Members,  
**WEBFIL LTD.,**  
**YULE HOUSE,**  
**8, DR. RAJENDRA PRASAD SARANI,**  
**KOLKATA-700001.**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of Laws, rules and regulations and happening of the events etc.
5. The compliance of the provision of corporate and other applicable laws, rules , regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For S. Deepak & Associates**  
**Company Secretaries**

Place: Kolkata  
Date: 27th July, 2018

CS Deepak Swain  
Proprietor  
ACS-25625, C. P. No. 9131

## WEBFIL LIMITED

ANNEXURE-IX

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

#### A. CONSERVATION OF ENERGY

Your Company accords great importance to conservation of energy by close monitoring of consumption of electricity, LPG, diesel and water. Since the Company is a low energy consuming unit, no significant proposal for additional investment in the near future is envisaged for further reduction of consumption of energy. The Company is contemplating utilisation of alternate sources of energy and energy conservation equipments, and hopes to implement these plans soon.

#### B. RESEARCH AND DEVELOPMENT (R&D)

Your Company is engaged in R&D on an ongoing basis with the object of developing various signalling and Telecommunication equipment and Filaments with the emphasis on minimizing the cost and improving the quality of its products.

##### i) Various products developed by the Company through R & D:

- a) Automatic Message Switching System.
- b) Low speed data Module (upto 19.2 K Band) for PCM Multiplexer.
- c) RF Surge Protector.
- d) Universal Fail Safe Block Interface (UFSBI).
- e) Drop Insert type Programmable Primary Multiplexer.
- f) 2/8 Mbps Optical Line Terminating Equipment.
- g) Drop/Insert type Programmable Primary Multiplexer with modified specifications & new features.
- h) High Speed Data Interfaces for D/IMUX.
- i) LED Video Board and LED Based Train Information Board,
- j) Microprocessor based Over Current Earth Fault Relay,
- k) Microprocessor based Over Current Earth Fault Relay with instantaneous high set.
- l) Block Proving by Axle Counter using UFSBI for double line/single line.
- m) Loop Protection Module (LPM) for PD MUX.
- n) Access MUX (8 channel) for BPAC/UFSBI.
- o) Automatic protection unit for UFSBI
- p) Direct fibre interface for UFSBI/BPAC
- q) New FXS interface for D/IMUX.

##### ii) Expenditure on R&D:

	(Rs. in "000") For the year ended <u>31st March, 2018</u>	(Rs. in "000") For the year ended <u>31st March, 2017</u>
a) Capital expenditure	588.00	NIL
b) Employee Benefits expenses	7578.06	7093.58
c) Raw material and component consumed	90.39	84.28
d) Total	8256.45	7177.86
e) Total R&D expenditure as a percentage of total turnover	1.99%	2.15%



**C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

The Company has successfully implemented 'Surface Mount Technology' in the indigenous design and production of certain modules of Drop Insert type Programmable Primary Multiplexer which has led to an improvement in quality of this product.

**D. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Details of 'Income/Expenditure in Foreign Currency' provided under Note No.44 of the Notes on Financial Statements for the Year ended 31st March, 2018.

On behalf of the Board

Place: Kolkata  
Date: 14th August, 2018

**JAYANTA RAY**  
Chairman

## **WEBFIL LIMITED**

### **REPORT ON CORPORATE GOVERNANCE**

The Directors present the Report on Corporate Governance for the year ended March 31, 2018, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"):

#### **COMPANY'S PHILOSOPHY**

Webfil Limited's ("The Company") governance philosophy is based on the principles of integrity, equity, accountability and transparency. The Company's business adheres to these principles to protect the interests of its stakeholders, and gain their trust. The Board of Directors of the Company considers itself a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding of their wealth on sustainable basis. The Company's commitment to ethical business practices, integrity and regulatory compliances helps foster a culture of ethical behavior and maintain a work environment that strengthens the employees' and other stakeholders' faith in the management of the Company.

#### **BOARD OF DIRECTORS**

In conformity with the Company's governance philosophy, all statutory and material information are placed before the Board of Directors to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of the Shareholders.

- Composition of the Board of Directors as on 31.03.2018

The Board of Directors is comprised of 9 (nine) Non-Executive Directors, out of whom 4 (four) are Independent.

The names of the Directors, their category, number of Directorships and Committee positions held by them in other companies and their shareholding in the Company, are as follows:

Name of Director	Category	No. of Directorships held in other Companies(*)	No. of Committee Positions held in other Companies (**)		No. of Shares held in the Company
			AsChairman	As Member	
Shri Jayanta Ray (DIN: 00175341)	Chairman Non-Executive	-	-	-	100
Shri Sujit Chakravorti (DIN: 00066344)	Non-Executive & Independent	4	1	1	-
Shri Asoke K. Dutt (DIN: 00488865)	Non-Executive & Independent	-	-	-	100
Shri Debasis Konar (DIN: 03515885)	Non-Executive	-	-	-	-
Shri Soumen Das (DIN: 01833471)	Non-Executive & Independent	-	-	-	-
Shri R.C.Sen (DIN: 07131320)	Additional & Non-Executive	6	-	2	-
Shri Ashis Chakraborty (DIN: 06496853)	Non-Executive	-	-	-	-
Shri Debasis Jana (DIN: 07046349)	Non-Executive	8	1	1	-
Smt. Sujata Roy (DIN:07209179)	Non-Executive & Independent	-	-	-	-

(\*) Excluding Directorships in Private Limited Companies, Foreign Companies, and Companies registered under Section 8 of the Companies Act, 2013.

(\*\*)In accordance with Regulation 26 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations 2015, Memberships / Chairmanships of the Audit Committee and Stakeholders' Relationship Committee alone have been considered.

#### ● Meetings and Attendance

During the last financial year ended 31st March, 2018, 5 (five) meetings of the Board of Directors were held on 29th May, 2017, 8th August, 2017, 13th September, 2017, 12th December, 2017, and 14th February, 2018.

## WEBFIL LIMITED

Attendance of the Directors at the Board Meetings and at the last Annual General Meeting is as under :

Name of Director	No. of Board Meetings Attended	Attendance in the last Annual General Meeting held on 13th September, 2017
Shri Jayanta Ray	1	YES
Shri Sujit Chakravorti	5	YES
Shri Asoke K. Dutt	4	YES
Shri Debasis Konar	1	NO
Shri Soumen Das	5	YES
Shri Sunil Munshi (resigned w.e.f. 1st September, 2017)	2	N.A.
Shri Ashis Chakraborty	2	NO
Shri Debasis Jana	3	YES
Shri R.C.Sen (appointed as Additional Director w.e.f. 1st September, 2017 at Board Meeting held on 13.09.2017)	2	N.A.
Smt. Sujata Roy	4	YES

### ● Familiarization Programme for Independent Directors

In terms of Regulation 25(7) of the Listing Regulations, the Company is required to conduct the Familiarisation Programme for Independent Directors (IDs) to familiarise them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives.

The details of the familiarisation programme for IDs is disclosed on the website of the Company and may be accessed at the web link <http://www.webfilindia.com/uploads/policy/Familiarisation%20Programme%20for%20Independent%20Directors.pdf>

## AUDIT COMMITTEE

### ● Terms of Reference

The Company has an Audit Committee whose terms of reference, role, and manner of review of information are in conformity with Regulation 18, read with Part C of Schedule II of the Listing Regulations, and Section 177 of the Companies Act, 2013.

### ● Composition

The composition of the Audit Committee as on 31st March, 2018 and the attendance of the members at the meetings thereof during the year 2017-18, were as follows:

Name of Director	Designation	Category of Director	No. of meetings attended
Shri Sujit Chakravorti	Chairman	Non-Executive & Independent	5
Shri Asoke K. Dutt	Member	Non-Executive & Independent	4
Shri Soumen Das	Member	Non-Executive & Independent	5

### ● Meetings

- During the financial year ended 31st March, 2018, 5 (five) meetings of the Audit Committee were held on 29th May, 2017, 8th August, 2017, 13th September, 2017, 12th December, 2017, and 14th February, 2018.
- Audit Committee Meetings were also attended by the Chief Executive Officer and Chief Financial Officer of the Company.
- The Company Secretary acts as Secretary to the Audit Committee.
- The Audit Committee invites the Statutory Auditors and the Internal Auditors of the Company to be present at the meetings, as and when it considers appropriate to do so.
- Members of the Audit Committee are eminent persons in their fields, with a majority having expertise in Finance and Accounting.
- The Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 13th September, 2017.

### NOMINATION AND REMUNERATION COMMITTEE

#### ● Terms of Reference

The Company has a Nomination and Remuneration Committee whose role is in conformity with Regulation 19(4) read with Part D of Schedule II of the Listing Regulations, and Section 178 of the Companies Act, 2013.

#### ● Composition

The Nomination and Remuneration Committee is comprised of 5 (five) Non-Executive Directors, out of whom 3 (three) are Independent. The composition of the Nomination and Remuneration Committee as on 31st March, 2018 was as follows:

Name of Director	Designation	Category of Director
Shri Sujit Chakravorti	Chairman	Non-Executive & Independent
Shri Asoke K. Dutt	Member	Non-Executive & Independent
Shri Soumen Das	Member	Non-Executive & Independent
Shri R.C.Sen (*)	Member	Non-Executive
Shri Debasis Jana	Member	Non-Executive
(*) Shri R.C.Sen joined w.e.f. 1st September,2017.		

## WEBFIL LIMITED

### ● Meetings

During the financial year ended 31st March, 2018, 2 (two) meetings of the Nomination and Remuneration Committee were held on 8th August, 2017, and 13th September, 2017, and the attendance of the members at the meetings of the Nomination and Remuneration Committee during the year 2017-18 were as follows:

Name of Director	No. of meetings attended
Shri Sujit Chakravorti	2
Shri Asoke K. Dutt	2
Shri Soumen Das	2
Shri Sunil Munshi (resigned w.e.f. 1st September, 2017)	1
Shri Debasis Jana	1
Shri R.C.Sen	N.A.
(appointed as Additional Director w.e.f. 1st September, 2017 at Board Meeting held on 13.09.2017)	

### ● Performance evaluation

The performance evaluation of the Non-Executive Directors, including Independent Directors, the Board as a whole and the Chairman of the Company is done as per the Board Evaluation Policy.

The policy referred to above inter alia contains evaluation criteria for the Directors, procedure for determination and review of remuneration of Directors, Key Managerial Personnel and other employees, etc.

The policy for Board Evaluation and Board Diversity is disclosed on the website of the Company and may be accessed at the web link <http://www.webfilindia.com/uploads/policy/Policy%20on%20Board%20Evaluation.pdf>

### ● Remuneration Policy

The Remuneration Policy as recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors. The same is applicable for Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company. The said policy is disclosed on the website of the Company and may be accessed at the web link

<http://www.webfilindia.com/uploads/policy/Remuneration%20Policy.pdf>

## REMUNERATION OF DIRECTORS

### ● Executive Directors

There were no Executive Directors on the Board of Directors of the Company, during the financial year 2017-18.

### ● Non-Executive Directors

The sitting fees paid to the Non-Executive Directors for attending the Board and the Committee meetings of the Company during the year ended 31st March, 2018 are as follows:

Name of Director	Sitting fees paid (Rs.)
Shri Jayanta Ray	16,000/-
Shri Sujit Chakravorti	26,000/-
Shri Asoke Kumar Dutt	22,000/-
Shri Debasis Konar	2,000/-
Shri Soumen Das	26,000/-
Shri Sunil Munshi	11,000/-
Shri Ashis Chakraborty	4,000/-
Shri R. C. Sen	12,000/-
Shri Debasis Jana	22,000/-
Smt. Sujata Roy	8000/-
TOTAL	1,49,000/-

**Notes:**

- Remuneration of Non-Executive Directors is approved by the Board of Directors and paid as per directions given by the concerned Directors and recorded in the minutes of the Meetings. Apart from above, the Directors have no pecuniary relationship with the Company in their personal capacity.
- Sitting fees of Shri Sunil Munshi, Director, Shri R.C.Sen, Director and Shri Debasis Jana, Director, were paid to Andrew Yule & Company Limited, as per the directions received from each of them.
- Sitting fees of Shri Debasis Konar, Director and Shri Ashis Chakraborty, Director were paid to West Bengal Industrial Development Corporation Limited (WBIDC), as per the directions received from each of them.
- No commission was paid to the Non-Executive Directors during the year ended 31st March, 2018.
- This may be deemed to be the disclosure as required under Schedule V of the SEBI(Listing Obligations and Disclosure Requirements)Regulations 2015.

**COMMITTEE OF THE BOARD OF DIRECTORS**

● **Terms of Reference**

The Company has a Committee of the Board of Directors, duly constituted by the Board of Directors to supervise and ensure smooth functioning of the day-to-day operations of the Company. Meetings of such Committee are held as and when necessary.

The minutes of the meetings of the Committee of the Board of Directors are placed before the Board for perusal and noting. The Committee also discharges some functions of Stakeholders Relationship Committee like transfer, transmission, sub-division, duplicate issue of Shares, etc.

● **Composition**

The composition of the Committee of the Board of Directors and the details of meetings attended by the Directors during the year 2017-18, are given below:

Name of Director	Designation	Number of Meetings attended
Shri Jayanta Ray	Chairman	14
Shri Sunil Munshi (*)	Member	5
Shri R.C.Sen (**)	Member	7
Shri Debasis Jana	Member	13

(\*) Shri Sunil Munshi resigned w.e.f. 1st September, 2017.

(\*\*) Shri R.C.Sen joined w.e.f. 1st September, 2017.

● **Meetings**

There were 14 (fourteen) meetings of the Committee of the Board held during the year 2017-18 on 4th May, 2017, 26th May, 2017, 20th June, 2017, 10th July, 2017, 12th July, 2017, 1st August, 2017, 20th September, 2017, 23rd October, 2017, 31st October, 2017, 6th December, 2017, 21st December, 2017, 15th January, 2018, 13th February, 2018, and 13th March, 2018.

## WEBFIL LIMITED

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

The 'Stakeholders' Relationship Committee' of the Company, formed in accordance with Regulation 20 of the Listing Regulations, has been entrusted with the responsibility of considering and resolving the grievances of the security holders on issues like non-receipt of balance sheet, non-receipt of declared dividends, etc. Matters relating to transfer / transmission / sub-division / duplicate issue of shares continue to be looked after by the 'Committee of the Board of Directors'.

The Stakeholders' Relationship Committee as on 31st March, 2018, was comprised of Shri Sujit Chakravorti as Chairman, Shri R.C.Sen and Shri Debasis Jana. Shri R.C.Sen joined as a member of this Committee w.e.f. 1st September, 2017, following Shri Sunil Munshi's resignation from the Board of Directors w.e.f. 1st September, 2017.

There is no complaint lying pending with the Committee.

Number of complaints received during the year 2017-18: NIL

Number of shares pending transfer as on 31st March, 2018 : NIL

Ms. Shinjinee Bhattacharyya, Company Secretary, is the Compliance Officer.

### RISK MANAGEMENT COMMITTEE

The Board of Directors has constituted 'Risk Management Committee' as required under Regulation 21 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, for laying down risk assessment and minimization procedures. A Risk Management Plan has been formulated which is monitored and reviewed by this Committee.

The Risk Management Committee as on 31st March, 2018, was comprised of Shri Jayanta Ray as Chairman, Shri R.C.Sen and Shri Anirban Gupta.

### CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all members of the Board of Directors and senior management of the Company. The same inter alia also contains duties of Independent Directors as laid down under the Companies Act, 2013. The Code of Conduct for Board Members and Senior Management of the Company is disclosed on the website of the Company and may be accessed at the web link <http://www.webfilindia.com/Code%20of%20Conduct.pdf>

The certificate regarding compliance with the Code of Conduct is given separately.

### GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings are given below:

Financial Year	Date	Time	Venue
2014-2015	23.09.2015	4.00 p.m.	8, Dr. Rajendra Prasad
2015-2016	21.09.2016	4.00 p.m.	Sarani, Kolkata-700 001
2016-2017	13.09.2017	4.00 p.m.	

All the resolutions set out in the respective notices were passed by the shareholders. The following Special Resolutions were passed in the previous three Annual General Meetings:

Date of AGM	Special Resolutions
23.09.2015	NIL
21.09.2016	<ol style="list-style-type: none"> <li>Resolution pertaining to Alteration of Articles of Association to authorise WBIDC to appoint a maximum of 3 Directors on the Board of the Company where the total number of the Directors exceeds five.</li> <li>Resolution pertaining to Alteration of Articles of Association to permit dematerialisation of shares, debentures and other securities of the Company, and for allowing revision in the upper limit of the amount of Sitting Fees payable to Directors of the Company for attending meetings of the Board or committees thereof.</li> </ol>
13.09.2017	NIL

No Special Resolution requiring a postal ballot was placed before the last Annual General Meeting of the Company. No Special Resolution requiring a postal ballot is being proposed at the ensuing Annual General Meeting of the Company.

#### MEANS OF COMMUNICATION

- The Unaudited quarterly and year-to-date financial results, and the audited annual results are submitted to the Stock Exchange in accordance with the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015.
- During the Financial Year 2017-2018, the approved financial results were published in a national English newspaper (Business Standard/Financial Express) and in a local language (Bengali) newspaper (Dainik Statesman/Aajkaal), within forty-eight hours of approval thereof.
- The Company's financial results are displayed on the Company's website - [www.webfilindia.com](http://www.webfilindia.com)

#### DISCLOSURES

##### ● Disclosure on materially significant related party transaction

The Board has adopted Related Party Transaction Policy for determining materiality of related party transactions and also on the dealings with related parties. This policy has been disclosed on the website of the Company and may be accessed at the web link

<http://www.webfilindia.com/uploads/policy/Related%20Party%20Transaction%20Policy.pdf>

During the year 2017-18, all transactions entered into with Related Parties as defined under the Companies Act, 2013, were in the ordinary course of business and on an arm's length pricing basis. Details pertaining to materially significant transactions with related parties during the financial year at arm's length price have been disclosed in Form No. AOC-2 annexed to the Board's Report in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. Suitable disclosure as required by the applicable Accounting Standards has been made in the Financial Statements.

##### ● Details of non-compliance

There have been no incidents of non-compliance by the Company, nor have any penalties or strictures been imposed on the Company by Stock Exchange(s), or SEBI or any other statutory authority, on any matter related to capital markets during the last three years.

##### ● Vigil Mechanism / Whistle Blower Policy:

The Company has laid down a Vigil Mechanism / Whistle Blower Policy in compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, under which Directors and employees are provided an opportunity to disclose any matter of genuine concern in prescribed

**WEBFIL LIMITED**

manner. The policy is disclosed on the website of the Company and may be accessed at the web link <http://www.webfilindia.com/uploads/policy/VIGIL%20MECHANISM.pdf>

No person has been denied access to the Audit Committee to lodge his/her grievances.

No complaints have been received by the Chairperson of the Audit Committee at the address specified in the aforementioned Whistle Blower Policy during the Financial Year 2017-2018.

- Details of compliance with mandatory requirements and adoption of non mandatory requirements:

The Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year 2017-2018. The Company has not adopted the non-mandatory requirements stated in the aforesaid Regulations.

## GENERAL SHAREHOLDERS' INFORMATION

- |  |  |
|--|--|
| ● CIN of the Company - L36900WB1979PLC032046           | Registration No. 021 - 032046  |
| ● Annual General Meeting (AGM)<br>Date, Time and Venue | : 26th September, 2018 at 4.00 p.m.<br>"Yule House"<br>8, Dr. Rajendra Prasad Sarani, Kolkata - 700 001.   |
| ● Financial Year                                       | : 1st April, 2017 to 31st March, 2018  |
| ● Date of Book Closure                                 | : From 20th September, 2018 to 26th September, 2018<br>(both days inclusive)   |
| ● Listing on Stock Exchange(s)                         | : The Calcutta Stock Exchange Limited<br>7, Lyons Range, Kolkata - 700 001<br>(Stock Code: 33030)  |
|  | The Listing fee has been paid to the above Stock Exchange.   |
| ● Market Price Data                                    | : As the shares of the Company were not traded in the Calcutta<br>Stock Exchange during the year 2017-18, quoted price is not<br>available.  |
| ● Registrar and Transfer Agen                          | : MCS Share Transfer Agent Limited<br>12/1/5, Manoharpukur Road,<br>Ground Floor, Kolkata - 700 026.<br>Phone : (033) 4072 - 4051/4052/4053<br>Fax : (033) 4072 - 4050<br>E-mail : mcssta@rediffmail.com   |
| ● Share Transfer System                                | : Transfer of Shares in physical form are registered and<br>dispatched within 15 days from the date of their receipt in case<br>documents are complete in all respect. The Committee of the<br>Board of Directors is empowered to approve transfers. |
| ● Shares Transferred during the year                   | : Total number of shares transferred in physical form during the<br>year was : NIL (Previous year - NIL )  |
| ● Distribution of Shareholding as on 31st March, 2018  |  |

Shareholding Range	Shares		Shareholders	
	No.	% of Total	No.	% of Total
1 - 500	18107	0.21	239	95.22
501 - 1000	1800	0.02	2	0.80
1001 - 2000	0	0.00	0	0.00
2001 - 5000	0	0.00	0	0.00
5001 - 10000	0	0.00	0	0.00
10001 & Above	8512593	99.77	10	3.98
Total	8532500	100.00	251	100.00

- Shareholding Pattern as on 31st March, 2018

CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1. GOVERNMENT		
a. Central	--	--
b. State	--	--
2. FINANCIAL INSTITUTIONS		
a. Industrial Finance Corporation of India	295080	3.46
b. West Bengal Industrial Development Corporation Limited	4220296	49.46
c. General Insurance & its subsidiaries	--	--
d. Nationalised Banks	--	--
3. MUTUAL FUNDS	--	--
4. ANDREW YULE & GROUP		
a. Andrew Yule & Co. Ltd.	145000	1.70
b. Yule Financing & Leasing Co. Ltd.	270000	3.16
c. Tide water Oil Co. (India) Ltd.	410000	4.81
d. The Bengal Coal Co. Ltd.	200000	2.34
e. The New Beerbhoom Coal Co. Ltd.	70000	0.82
5. DIRECTORS	200	0.00
6. NON RESIDENTS	--	--
7. OTHERS		
a. Bodies Corporate	2902320	34.02
b. Indian Public	19604	0.23
TOTAL	8532500	100.00

## WEBFIL LIMITED

- Dematerialization of shares : Company's shares are yet to be dematerialized.
- Plant Location : Plot No. 62, 63 and 68 in Mouza Kulia,  
Gayeshpur, P.S. Kalyani,  
Dist: Nadia, West Bengal - 741234
- Address for correspondence  
(Corporate & Registered Office) : WEBFIL LIMITED  
"Yule House"  
8, Dr. Rajendra Prasad Sarani,  
Kolkata - 700 001.  
Tel: (033) 2242 8210 / 8550  
Fax: (033) 2242 1335  
Email: webfil@webfilindia.com  
Website: www.webfilindia.com

### CEO/CFO CERTIFICATION

The necessary certificate under Regulation 17(8) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, has been placed before the Board of Directors.

### AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As required under Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's Certificate on compliance of conditions of Corporate Governance is attached.

On behalf of the Board

Place: Kolkata  
Date : 14th August, 2018

JAYANTA RAY  
Chairman

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### DECLARATION OF CEO CEO CERTIFICATION

I confirm that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management for the year 2017-18.

Place: Kolkata  
Dated: 1st August, 2018

**Anirban Gupta**  
Chief Executive Officer

## **AUDITOR'S CERTIFICATE**

### **AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITION OF CORPORATE GOVERNANCE**

To the Members of WEBFIL LIMITED

We have reviewed the compliance of conditions of corporate Governance by WEBFIL Limited for the year ended 31st March, 2018, as stipulated in the listing Agreement entered into by the company with The Calcutta Stock Exchange Limited ('Listing Agreement') and as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of Listing Regulations. We have conducted our review on the basis of the relevant records and documents maintained by the company for the year ended 31st March, 2018, and furnished to us for the purpose of the review and the information and explanation given to us by the company during the course of such review.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate Governance as stipulated in the Listing Agreement and Listing Regulations.

We further state 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.

Place : Kolkata  
Date : 13th June, 2018

For MARODIA KHANNA & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 317147E

**Ashok Barnwal**  
Partner Membership No. 056375

## **WEBFIL LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

To  
The Members of  
"M/S.WEBFIL LIMITED."

#### **1. Report on the Financial Statements**

We have audited the accompanying standalone financial statements of "M/S. WEBFIL LIMITED." (the "Company") which comprises the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash flow for the year then ended and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

#### **2. Management's Responsibility for the Ind AS Financial Statements**

The Company's Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("Act") with respect to the preparation of these Financial statements that give a true and fair view of financial position, financial performance including other Comprehensive income, cash flows and changes in equity of the company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the ACT read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principle generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; Selection and application appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **3. Auditors' Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its Profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act, we give in Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

As required under provisions of section 143(3) of the Act, we report

That:

- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of accounts as required by law have been kept by the company so far as it appears from our examinations of such books.
- c. The Balance sheet and profit and loss account referred to in this report are in agreement with the books of accounts.
- d. In our opinion the Financial Statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of information and affirmation given to us and representation obtained by the company, there is no Director of the company who is disqualified as on 31st March, 2018 from being appointed as a director of the Company in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and

## **WEBFIL LIMITED**

- g. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditor's) Rules, 2014 in our opinion and best of our information and according to the explanations given to us:
- i. The Company has disclosed the details related to pending litigations in its financial statement-Refer Note No. 42 to the Financial Statements.;
  - ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
  - iii. There were no amounts which required to be transferred to Investor Education and Protection Fund

Place: Kolkata  
Date: 13th June 2018

For **MARODIA KHANNA & ASSOCIATES**  
(Chartered Accountants)  
Firm Registration No. 317147E

**Ashok Barnwal**  
Partner  
Membership No. 056375

**ANNEXURE- A TO THE AUDITORS' REPORT****Annexure referred to in Paragraph 5 of the Report of the Auditors to the Members of M/s WEBFIL LIMITED on the financial statements for the year ended 31" March 2018**

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Fixed Assets have been physically verified by the management in a phased manner, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management & Internal auditor during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- c) The title deeds of Company's immovable properties at Kalyani, District Nadia is held in name of the Company and the said title deed is hypothecated in favour of WBIDC.
- ii. a) As per the explanations provided to us, physical verification of the Inventory of the Company has been carried out by the Management & Internal Auditor during the reporting period.
- b) As per the explanations provided to us, the company is maintaining proper records of Inventory and whatever discrepancies, noticed in internal auditor Report has properly been adjusted.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there was no such transaction made by company with respect to loans, Investment and guarantees within the provision of section 185 and 186 of Companies Act ,2013.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- VII. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

## WEBFIL LIMITED

- b) According to the information and explanation given to us, the details of statutory dues which have not been deposited on account of dispute are given below:

Name of the statute	Nature of Dues	Amount	Forum where dispute are pending	Date of intimation/ Order
West Bengal VAT Act, 2003	Sales Tax	32,40,322	West Bengal Commercial Tax Appellate & Revision Board (2005-06)	Appellate Order received on 20th may 2011, filed on 29th June 2011 before WBCTA & Revision Board (2005-06)
Income Tax Act, 1961	Income Tax	36,70,440	CIT Appeal (A.Y. 2008-09)	Appeal Order received but effect not yet given by AO
Income Tax Act, 1961	Income Tax	1,58,950	CIT Appeal (A.Y. 2009-10)	Appeal Order received but full effect not yet given byAO
Income Tax Act, 1961	Income Tax	26,31,950	CIT Appeal (A.Y. 2014-15)	Appeal Order received but effect not yet given by AO
Income Tax Act, 1961	Penalty	12,41,451	CIT Appeal (A.Y. 2008-09)	Date of hearing not yet received
Income Tax Act, 1961	Penalty	8,17,766	CIT Appeal (A.Y.2010-11)	Date of hearing not yet received
Central excise Act, 1944	Excise duty	2,51,16,268	Appellate Commissioner (Mar'11 to Nov'15)	Appeal Order received company preferred Appeal filed before CESTAT

- viii. a) According to the information and explanations given to us, the Company has defaulted in the repayment of dues to financial institutions. The details of the same are enclosed below.

Nature Of Borrowing	From where loan taken	Principal Amount (₹)	Due Onward	Interest Amount(₹)	Due onward
Sale Tax Loan	Govt. Of West Bengal	7,58,40,055	26.02.2007	9,94,64,320	26.02.2004
Short Term Loan	WBIDC	84,00,000	30.06.2011	1,05,06,528	30.06.2011

- b) The company does not have any loans or borrowing from any financial institution, banks, government or debenture holders during the year. Accordingly, Paragraph 3 (viii) of Order is not applicable.
- IX. According to the information and explanations given by the management, the company did not raised any money by way of initial public offer or further public offer (including Debt instruments) and terms Loans during the year . Accordingly, Paragraph 3 (ix) of order is not applicable.
- X. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- XI. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- XII. In our opinion, the Company is not a Nidhi Company. Therefore, the Paragraph (xii) of the Order is not applicable to the Company.
- XIII. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- XIV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly Paragraph (xiv) of the Order is not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, Paragraph (xv) of the Order is not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 1A of the Reserve Bank of India Act, 1934 and accordingly, Paragraph (xvi) of the Order are not applicable to the Company and hence not commented upon,

Place: Kolkata  
Date: 13th June 2018

For **MARODIA KHANNA & ASSOCIATES**

Chartered Accountants  
Firm Reg. NO.31714E

**Ashok Barnwal**  
(Partner)  
Membership No: 056375

## **WEBFIL LIMITED**

### **Annexure-B to Auditors' Report**

#### **Report on the internal Financial Controls under Clause (ij) of sub-Section 3 of Section 143 of the Companies Act, 2013 ("The Act")**

We have audited the internal financial controls over financial reporting of **WEBFIL Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata  
Date;13th June 2018

For **MARODIA KHANNA & ASSOCIATES**  
(Chartered Accountants)  
Firm Registration No. 317147E

**ASHOK BARNWAL**  
Partner  
Membership No. 056375

## WEBFIL LIMITED

### General Directions Under Section 143 (5) of the companies Act 2013

(I)	<b>Valuation Of assets &amp; Liabilities</b>	
	If the company has been selected for disinvestment, a complete status report in terms of valuation of assets (including intangible assets and land) and liabilities (including Committed and General Reserved) may be examined, including the mode and present stage of disinvestment process.	No, the same is not applicable to the company for the year under reference.
(II)	<b>Waiver/write-off of Debts/loan/ interest</b>	
	To report whether there are any cases of waiver/ write-off of debts / loans / interests etc. If yes, the reason thereof and the amount involved.	None.
(III)	<b>Inventories</b>	
	Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities?	There is a system of keeping proper records for inventory lying with third party. However for the year under reference no such stock was present with third party. Moreover no assets received as gift from Government or other authorities.
(IV)	<b>Legal/arbitration cases</b>	
	A report on age-wise analysis of pending legal/ arbitration cases, including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	Refer to <b>ANNEXURE-A</b> for details relating to all pending legal/arbitration cases.
(V)	<b>Title/Lease Deeds</b>	
	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deed are not available?	There is no freehold land owned by the company. However, the company possesses a leasehold land and the lease period is for 99 years as per the lease deed.

### Specific Directions Under Section 143 (5) of the Companies Act 2013 Manufacturing Sector

(1)	Whether the Company's pricing policy absorbs all fixed and variable cost of production as well as allocation of overheads	Yes, the Company's Pricing policy absorbs all fixed and variable cost of production of overheads. as well as allocation
(2)	Whether the Company has fixed norms for normal losses and system for evaluation of abnormal losses for remedial action is in existence.	Yes, the Company has fixed norms for normal losses and a system for evaluation of abnormal losses for remedial action.

Place: Kolkata  
Date:13th June 2018

For **MARODIA KHANNA & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No. 317147E

**Ashok Barnwal**  
(Partner)  
Membership No.056375

**WEBFIL**



कार्यालय महारलेखाकार  
(आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा)  
पश्चिम बंगाल

**OFFICE OF THE  
ACCOUNTANT GENERAL**  
(Economic and Revenue Sector Audit)

West Bengal

No.: OA(ESA-II)/Acctts/Webfil/2017-18/ 12.70

Date:- 14.08.2018

To  
The Director,  
Webfil Limited,  
'YULE HOUSE',  
8, Dr. Rajendra Prasad Sarani,  
Kolkata-700001

Sub: Comments of the Comptroller and Auditor General of India under  
Section 143 (6) of the Companies Act, 2013 on the Financial  
Statements of Webfil Limited for the year ended 31 March 2018

Sir,

I am to forward herewith the Comments under Section 143 (6) of the Companies  
Act, 2013 on the Financial Statements of Webfil Limited for the year ended 31 March 2018.

Yours faithfully,

Sr. Deputy Accountant General (ESA-II)  
West Bengal

Encl: As stated.

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सी. जी. ओ. कम्प्लेक्स, डी. एफ. ब्लॉक, साल्ट लेक, कोलकाता - 700 064  
3<sup>rd</sup> MSO Building, 5<sup>th</sup> Floor, CGO Complex, DF Block, Salt Lake, Kolkata - 700 064.  
Phone : (033) 2337-4916; FAX : (033) 2337-6966, e-mail: aglbaWestbengal@cag.gov.in:

## WEBFIL LIMITED

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF WEBFIL LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of financial statements of Webfil Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 13.06.2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Webfil Limited for the year ended 31 March 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on the behalf of the  
Comptroller & Auditor General of India



(Nameeta Prasad)  
Accountant General (E&RSA)  
West Bengal

Dated at Kolkata  
The 14 AUG 2018

WEBFIL



कार्यालय महालेखाकार  
(आर्थिक एवं राजस्व क्षेत्र लेखापरीक्षा)  
पश्चिम बंगाल

OFFICE OF THE  
ACCOUNTANT GENERAL  
(Economic and Revenue Sector Audit)  
West Bengal

No.: OA(ESA-II)/Accts/WEBFIL/2016-17/ 794

Date: 12 SEP 2017

To  
The Managing Director,  
Webfil Limited,  
'YULE HOUSE', 8, Dr. Rajendra Prasad Sarani,  
Kolkata-700001

Sub: Comments of the Comptroller and Auditor General of India under  
Section 143(6) of the Companies Act, 2013 on the accounts of Webfil  
Limited for the year ended 31 March 2017

Sir,

The comments of the Comptroller and Auditor General of India under Section 143(6) of  
the Companies Act, 2013 on the accounts of Webfil Limited for the year ended 31 March 2017  
are enclosed.

Yours faithfully,

Deputy Accountant General (ESA-II)  
West Bengal

Encl : As stated

सी. जी. ओ. कामलेक्स, डी. एफ. ब्लॉक, साल्ट लेक, कोलकाता - 700 064  
3<sup>rd</sup> MSO Building, 5<sup>th</sup> Floor, CGO Complex, DF Block, Salt Lake, Kolkata - 700 064.  
Phone : (033) 2337-4916; FAX : (033) 2337-6966, e-mail: aglbaWestbengal@cag.gov.in:

## **WEBFIL LIMITED**

### **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF WEBFIL LIMITED FOR THE YEAR ENDED 31 MARCH 2017**

The preparation of financial statements of Webfil Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 29.05.2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Webfil Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

**A. Comments on Profitability**

**Profit and Loss Statement**

**Expenditure**

**Other Expenses (Note-25) – ₹5.39 crore**

The above was understated by ₹6.19 lakh due to non-provision of electricity expenses for the month of March 2017.

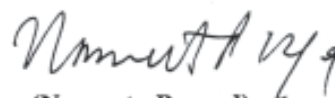
This has resulted in understatement 'Current Liabilities' with corresponding overstatement of 'profit for the year' by ₹6.19 lakh.

**B. Other comments**

**General**

Industrial Reconstruction Department, Government of West Bengal, through a Demand Notice, revised (March 2013) the rate of interest on Sale Tax loan from 8.75 to 9.25 *per cent* w.e.f. April 2009. The company, however, requested (April 2013) the department to reconsider its demand and not to impose increased rate of interest. In view of pendency of decision at Government's end, the company continued to provide the rate of interest @ 8.75 *per cent* in its accounts even for 2016-17 without any disclosure there against. The matter should have been disclosed by way of a note on accounts.

For and on behalf of the Comptroller &  
Auditor General of India



(Nameeta Prasad)  
Accountant General (E&RSA)  
West Bengal

Dated at Kolkata  
The

12 SEP 2017

# WEBFIL LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in "000", unless otherwise stated)

Note	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4 9,388.61	9,023.33	9,628.06
Financial Assets			
Investment	5 5,465.00	5,465.00	5,465.00
Trade receivable	6 -	-	-
Loans	7 19,679.34	19,547.04	14,913.82
Others Financial Assets	8 11,726.77	8,611.42	6,875.02
Deferred Tax Assets (Net)	9 21,806.79	33,462.87	34,497.93
Other Non-Current Assets	10 7,875.84	8,567.28	9,092.34
		84,676.94	80,472.17
<b>Current Assets</b>			
Inventory	11 2,13,029.01	2,26,313.13	2,28,854.09
Financial Asset			
Trade receivable	12 1,13,676.02	76,451.33	69,609.15
Cash and cash equivalent	13 17,128.38	11,821.15	9,708.80
Other Financial Assets	14 509.66	964.56	604.18
Current Tax Assets (Net)	15 19,401.87	16,249.47	11,277.57
Other Current Assets	16 8,161.62	18,702.00	14,466.39
"Non-Current Asset classified as "Held-for-Sale"	17 -	3,71,906.56	3,50,501.64
		-	25.00
<b>TOTAL ASSETS</b>		<b>4,47,848.91</b>	<b>4,35,178.58</b>
			<b>4,15,017.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	18 85,325.00	85,325.00	85,325.00
Other Equity	(54,504.34)	30,820.66	(63,596.21)
		21,728.79	(61,381.63)
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	19 46,962.56	42,882.88	38,737.92
Provisions	20 34,638.31	44,698.22	48,224.62
		87,581.10	86,962.54
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	21 1,13,476.66	1,22,082.91	1,22,884.52
Trade Payables	22 86,431.25	57,690.14	48,586.06
Other Financial Liabilities	23 1,10,570.82	1,19,293.35	1,09,679.75
Other Current Liabilities	24 9,238.24	14,151.60	10,842.21
Provisions	25 15,710.41	12,650.69	12,118.90
		3,25,868.69	3,04,111.44
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,47,848.91</b>	<b>4,35,178.58</b>
			<b>4,15,017.35</b>
Company Overview	1		
Basis of Accounting	2		
Significant Accounting Policies	3		

The Notes 1 to 47 are an integral part of the Financial Statements.

On behalf of the Board

In terms of our Report of even date.  
For **Marodia Khanna & Associates**  
Chartered Accountants  
(Firm Registration No.317147E)

**R.C.Sen**  
Director

**Jayanta Ray**  
Chairman

**Ashok Barnwal**  
Partner  
(Membership No.056375)  
Dated : Kolkata, 13th June, 2018

**Shinjinee Bhattacharyya**  
Company Secretary

**Sujit Chakravorti**  
Director

**Jayanta Kumar Datta**  
Chief Financial Officer

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in "000", unless otherwise stated)

	Note	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>INCOME</b>			
Revenue From Operations	26	4,15,644.00	3,49,623.78
Other Income	27	3,298.74	2,671.86
<b>Total Income</b>		<b>4,18,942.74</b>	<b>3,52,295.64</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	28	120,718.53	76,036.25
Purchases of Stock-in-Trade	29	99,344.37	1,06,294.86
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	30	16,901.07	6,326.29
Employee Benefits Expense	31	72,654.27	75,018.82
Finance Costs	32	17,078.72	17,983.35
Depreciation and Amortization Expense	4	946.87	831.81
Other Expenses	33	82,524.98	53,833.01
Excise Duty		4,973.41	15,447.03
<b>Total Expenses</b>		<b>4,15,142.22</b>	<b>3,51,771.42</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>		<b>3,800.52</b>	<b>524.22</b>
Exceptional Items	34	14,926.02	-
<b>Profit/(Loss) before Tax</b>		<b>18,726.54</b>	<b>524.22</b>
Tax Expense :			
Current Tax		1,492.08	-
Deferred Tax		10,751.36	1,543.97
		12,243.44	1,543.97
<b>Profit/(Loss) for the period</b>		<b>6,483.10</b>	<b>(1,019.75)</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss		3,513.48	(1,703.72)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(904.72)	508.90
		2,608.76	(1,194.82)
<b>Total Comprehensive Income for the period</b>		<b>9,091.86</b>	<b>(2,214.57)</b>
Earnings Per Share (of ₹ 10 each)			
Basic and Diluted (₹)	45	0.76	(0.12)
Basis of Accounting	2		
Significant Accounting Policies	3		

The Notes 1 to 47 are an integral part of the Financial Statements.

In terms of our Report of even date.

For **Marodia Khanna & Associates**

Chartered Accountants

(Firm Registration No.317147E)

**Ashok Barnwal**

Partner

(Membership No. 056375)

Dated : Kolkata, 13th June, 2018

**Shinjinee Bhattacharyya**  
Company Secretary

On behalf of the Board

**R.C.Sen**  
Director

**Jayanta Ray**  
Chairman

**Jayanta Kumar Datta**  
Chief Financial Officer

**Sujit Chakravorti**  
Director

## WEBFIL LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in "000", unless otherwise stated)

	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax from continuing operation	3,800.52	524.22
Adjustment for:-		
Depreciation and Amortization Expense	946.87	831.81
Finance costs (Net of Interest Income)	17,078.73	17,983.35
Comprehensive Income	3,513.48	(1,703.72)
Provision for doubtful debts	19.84	2,877.57
Provision for stock obsolescence	101.22	211.37
Dividend Income from Non-current Investment	(1,543.50)	(1,029.00)
Non-cash item - Prov. For Income Tax	(1,492.08)	-
Interest Income	(978.75)	(1,058.25)
Change in Operating Assets & Liabilities	21,446.33	18,637.35
Adjustment for:-		
Trade Receivables	(37,244.54)	(9,719.75)
Inventories	13,182.90	2,329.59
Non Current Financial Assets - Loans	(132.30)	(4,633.22)
Non Current Financial & Other Assets	(2,423.91)	(1,211.34)
Other Financial Assets	454.90	(360.38)
Other current assets	10,540.38	(4,235.61)
Trade Payables	28,741.11	9,104.08
Other Current Liabilities	(4,913.35)	3,309.38
Non-Current Liabilities Provisions	(10,059.91)	(3,526.39)
Other Short Term Provisions	3,059.71	531.80
Cash generated from operations	22,651.32	10,225.51
Direct tax paid	(3,152.40)	(4,971.90)
<b>Net Cash Flow from Operating Activities</b>	<b>19,498.92</b>	<b>5,253.61</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (net)	(1,312.15)	(227.09)
Proceeds from sale of Fixed Assets	-	25.00
Interest Received	978.75	1,058.25
Dividend Received	1,543.50	1,029.00
<b>Net Cash flow from Investing activities</b>	<b>1,210.10</b>	<b>1,885.16</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Increase/ (decrease) in Bank Borrowing	(3,256.64)	(801.61)
Payment of Unsecured Loan	(7,849.60)	-
Interest Paid	(4,295.55)	(4,224.81)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(15,401.79)</b>	<b>(5,026.42)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>5,307.23</b>	<b>2,112.35</b>
<b>CASH &amp; CASH EQUIVALENTS - AT THE BEGINNING</b>	<b>11,821.15</b>	<b>9,708.80</b>
<b>CASH &amp; CASH EQUIVALENTS - AT THE CLOSING</b>	<b>17,128.38</b>	<b>11,821.15</b>

In terms of our Report of even date.  
For Marodia Khanna & Associates  
Chartered Accountants  
(Firm Registration No.317147E)

Ashok Barnwal  
Partner  
(Membership No.056375)  
Dated : Kolkata, 13th June, 2018

Shinjinee Bhattacharyya  
Company Secretary

R.C.Sen  
Director  
  
Jayanta Kumar Datta  
Chief Financial Officer

On behalf of the Board  
Jayanta Ray  
Chairman

Sujit Chakravorti  
Director

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in "000", unless otherwise stated)

## (A) EQUITY SHARE CAPITAL

For the year ended 31st March, 2018			For the year ended 31st March, 2017		
Balance as at 1-Apr-17	Changes in equity share capital during the year	Balance as at 31-Mar-18	Balance as at 1-Apr-16	Changes in equity share capital during the year	Balance as at 31-Mar-17
85,325.00	-	85,325.00	85,325.00	-	85,325.00

## (B) OTHER EQUITY FOR THE ENDED 31ST MARCH 2018

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		
	Capital Reserve	Surplus/ (Deficit)	Retained Earnings	Remeasurement of Defined Benefit Plans	Equity instrument through Other Comprehensive Income	Total
Balance at the beginning of the reporting period 1-Apr-16	8,25	(85,020,59)	23,630,71	-	-	(61,381,63)
Profit for the year		(1,019,75)	-	-	-	(1,019,75)
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	(1,194,83)	-	(1,194,83)
Total Comprehensive Income for the year	-	(1,019,75)	-	(1,194,83)	-	(2,214,58)
Balance at the end of the reporting period 31-Mar-17	8,25	(86,040,34)	23,630,71	(1,194,83)	-	(63,596,21)
Profit for the year	-	6,483,10	-			6,483,10
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	2,608,77		2,608,77
Total Comprehensive Income for the year	-	6,483,10	-	2,608,77		9,091,87
Balance at the end of the reporting period "31-Mar-18	8,25	(79,557,24)	23,630,71	1,413,94		(54,504,34)

On behalf of the Board

In terms of our Report of even date.  
For **Marodia Khanna & Associates**  
Chartered Accountants  
(Firm Registration No.317147E)

**Ashok Barnwal**  
Partner

(Membership No.056375)

Dated : Kolkata, 13th June, 2018

**Shinjinee Bhattacharyya**  
Company Secretary

**R.C.Sen**  
Director

**Jayanta Ray**  
Chairman

**Jayanta Kumar Datta**  
Chief Financial Officer

**Sujit Chakravorti**  
Director

## **WEBFIL LIMITED**

### **Notes on Financial Statement for the Year ended 31st March, 2018**

#### **1. Company Overview**

WEBFIL LIMITED is a joint venture company formed by WBIDC - West Bengal Industrial Development Corporation Ltd. (A Government of West Bengal Undertaking) and Group Companies of Andrew Yule & Co. Ltd. (A Government of India Enterprise).

It was incorporated as per the provisions of the Companies Act in the year 1979. The company transformed from being manufacturer of Tungsten Filaments for GLS/ incandescent lamps and Cathodes for Fluorescent and Compact Fluorescent Tubes to a leading multi-product company with widespread activities. The company is now primarily engaged in the manufacturing of a range of Telecommunication & Railway Signalling equipments and execution of turnkey projects for telecommunication and other IT & ITes related projects. It has significant presence in the Filament Industry as well.

#### **2. Basis of Preparation**

##### **a) Basis of preparation and Compliance with Ind AS**

For all periods up to and including the year ended March 31, 2017, the Company had prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, and the presentation requirements of the Companies Act, 2013.

##### **b) Pursuant to the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards notified under Section 133 read with Rule 4A of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and the relevant provisions of the Companies Act, 2013 (collectively, "Ind AS") with effect from April 1, 2017 and the Company is required to prepare its financial statements in accordance with Ind AS for the year ended March 31, 2018, for the first time. The transition to Ind AS was carried out in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards" with the date of transition as April 01, 2016. Refer Note 36 for descriptions of the effect of the transition and reconciliations required as per Ind AS 101.**

##### **c) Basis of measurement**

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain items that are measured at fair values/amortised cost, as explained in the accounting policies.

##### **d) Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products

and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### **3. Significant Accounting Policies**

#### **a) Revenue recognition**

As per the definition of Revenue in Ind AS 18, "revenue is the gross inflow of economic benefits during the period arising in the course of the ordinary activities of an entity when those inflows result in increases in equity, other than increases relating to contributions from equity participants." Further, as per Ind AS 18, revenue includes only the gross inflows of economic benefits received / receivable by the entity on its own account. Amounts collected on behalf of third parties such as sales taxes, goods and service taxes and value added taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they are excluded from revenue. Similarly, in an agency relationship, the gross inflow of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the entity. The amounts collected on behalf of the principal are not revenue.

Recovery of excise duty is an inflow that the entity receives on its own account. For the manufacturer it is a part of the cost of production, irrespective of whether the goods are sold or not. The manufacturer acts as a principal in collecting excise duty and therefore, revenue is grossed up to include excise duty. Excise duty paid should be presented as a separate line item under the 'Expenses' head on the face of Statement of Profit and Loss.

Under the GST regime, the collection of GST by an entity would not be an inflow on the entity's own account but it shall be made on behalf of the government authorities. Accordingly, the revenue are presented net of GST.

##### **i. Sale of goods**

Revenue from the sale of goods is recognized when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenues from sale of by-products are included in revenue.

##### **ii. Interest Income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

##### **iii. Dividends**

Dividend income is recognized in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits

## WEBFIL LIMITED

associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### iv. **Sale of Service**

Revenue from rendering services is recognized when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction. The outcome of a transaction can be estimated reliably when the amount of revenue, stage of completion of the transaction and cost incurred or to-be incurred, at the end of the reporting period can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the company.

## b) **Property, Plant and Equipment**

### i. **Recognition and Measurement**

PPE is recognized when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, plant and equipment acquired on hire purchase basis are recognized at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy.

### ii. **Subsequent costs and disposal**

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the Statement of Profit and Loss.

### iii. **Capital-work-in-progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs (net of income) associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

### iv. **Depreciation, depletion and amortisation expense**

Depreciation is recognized using straight line method so as to write off the cost of the assets (other than freehold land and properties under construction) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits

embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

### **c) Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Research and development expenditure on new products:

- (i) Expenditure on research is expensed under respective heads of account in the period in which it is incurred.
- (ii) Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:
  - A. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
  - B. the company has intention to complete the intangible asset and use or sell it;
  - C. the company has ability to use or sell the intangible asset;
  - D. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
  - E. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
  - F. the company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

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Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred.

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

### **d) Non-current assets held for sale**

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

### **e) Impairment of assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting

date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

**f) Financial instruments**

Financial assets and/or financial liabilities are recognized when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

**I. Financial assets:**

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

**i. All recognized financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:**

- Investments in debt Instruments that are designated as fair value through profit or loss (FVTPL) - at fair value.
- Other investments in debt instruments - at amortised cost, subject to following conditions:  
 The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and  
 The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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- ii. Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (unless the same are designated as fair value through profit or loss)
  - a. The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
  - b. The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- iii. Investment in preference shares are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.
- iv. Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.
- v. For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognised in profit or loss and changes in fair value (other than on account of such income) are recognized in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

## II. Impairment of Financial Assets using Expected Credit Loss Model under Ind AS 109 - Trade Receivables

Ind AS 109 requires testing of impairment for certain financial asset under what is known as expected credit loss (ECL) model. This applies to debt instruments recorded at amortised cost or at fair value through other comprehensive income, such as loans, debt securities and trade receivables, lease receivables and most loan commitments and financial guarantee contracts.

ECL Model requires recognition of a provision for bad debt/ impairment for either 12-month or lifetime expected credit losses (ECLs), depending on whether there has been a significant increase in credit risk since initial recognition. The measurement of ECLs reflects a probability-weighted outcome, the time value of money and the best available forward-looking information.

Ind AS 109, provides an option for entities to work out their impairment provision based on a simplified approach. The simplified approach does not require the entities to track the changes in credit risk. Instead it requires the recognition of lifetime ECLs at all times. For trade receivables or lease receivables, the entities has applied the simplified approach using a provision matrix as a practical expedient for determining ECL on trade receivables.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

III. A financial asset is primarily derecognised when:

- i. the right to receive cash flows from the asset has expired, or
- ii. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

IV. Financial liabilities:

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

V. Equity Instruments:

Equity Instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

g) **Borrowing costs**

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically

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to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options).

### **h) Leases**

#### **Determining whether an arrangement contains lease**

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. Arrangements containing a lease have been evaluated as on the date of transition i.e. April 01, 2016 in accordance with Ind-AS 101 First-time Adoption of Indian Accounting Standard for finance or operating lease, on the basis of facts and circumstances existing as at that date.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

#### **Company as a lessee**

Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset under Finance Lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an expense

in the statement of profit and loss on a straight-line basis over the lease term. Unless the payments are structured to increase in line with general inflation to compensate for the lessor's expected inflationary cost increase.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**i) Inventories**

Inventories are valued after providing for obsolescence, as under:

- Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.
- Manufacturing work-in-progress at lower of weighted average cost, including related overheads, or net realisable value. In the case of qualifying assets, cost also includes applicable borrowing costs vide policy relating to borrowing costs.
- Finished goods and stock-in-trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes related overheads and excise duty paid/payable on such goods wherever applicable.

Assessment of net realisable value is made in each subsequent period and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

**j) Government Grant**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income. When the Company receives

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grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### k) Taxation

Tax expense represents the sum of current tax and deferred tax. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, on all the temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, on carry forward of unused tax credits and unused tax loss. Deferred tax provision is subject to following exceptions:

- deferred income tax is not recognized on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- deferred tax assets are recognized only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### l) Employee benefits

#### Short term employee benefits:

Employee benefits such as salaries, wages, short term compensated absences, expected cost of bonus, ex-gratia and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are

expensed in the period in which the employee renders the related service.

**Post-employment benefits:**

- **Defined contribution plans:** The company's provident fund scheme is defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
- **Defined benefit plans:** The employees' gratuity fund schemes, & Leave Encashment benefits represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Re-measurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (wherever applicable) is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit employee costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefits expense. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised in profit or loss when such settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

**Long term employee benefits:**

The obligation for long term employee benefits such as long term compensated absences, long service award etc. is measured at present value of estimated future cash flows expected to be made by the company and is recognised in a similar manner as in the case of defined benefit plans.

Long term employee benefits costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in long term employee benefit cost is recognised in the Statement of Profit and Loss under finance cost.

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### **Termination benefits:**

Termination benefits such as compensation under employee separation schemes are recognized as expense when the company's offer of the termination benefit is accepted or when the company recognizes the related restructuring costs whichever is earlier.

### **m) Provisions, contingent liabilities and contingent assets**

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits are probable.

### **n) Accounting for foreign currency transactions**

The functional currency and presentation currency of the company is Indian Rupee. Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

**o) Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**p) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**q) Segment reporting**

The Company's operating segments are established on the basis of those components that are evaluated regularly by the 'Chief Operating Decision Maker'. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/liabilities".

**r) Exceptional Items:**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**s) Fair Value Measurement:**

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **t) Critical accounting judgements and estimation uncertainty**

The preparation of the financial statements in conformity with Ind AS requires the directors of the Company to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes on Financial Statement for the Year ended 31st March, 2018

4 PROPERTY, PLANT AND EQUIPMENT

(₹ in "000", unless otherwise stated)

Descriptions	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Deemed Cost as at 1-Apr-16	Addition during the year	Deduction during the year	As at 31-Mar-17	As at 1-Apr-16	For the year	Adjustment during the year	As at 31-Mar-17	As At 1-Apr-16	As At 31-Mar-17
Land (Leasehold)	388.82	-	-	388.82	133.52	3.93	-	137.45	255.30	251.37
Buildings	16,625.88	-	-	16,625.88	14,024.57	333.78	-	14,358.35	2,601.31	2,267.53
Roads & Culverts	280.21	-	-	280.21	266.20	-	-	266.20	14.01	14.01
Plant & Equipment	1,12,936.75	129.20	-	1,13,065.95	1,06,928.74	2,88.32	-	1,07,217.06	6,008.01	5,848.89
Furniture & Fittings	2,164.47	-	-	2,164.47	1,994.37	20.50	-	2,014.87	170.10	149.60
Office Equipment	2,794.03	-	-	2,794.03	2,694.29	4.98	-	2,699.27	99.74	94.76
Computers and Data Processing Units	3,527.36	26.85	-	3,554.21	3,237.43	88.04	-	3,325.47	289.93	228.74
Electrical Installations & Equipments	3,093.25	-	-	3,093.25	2,977.97	11.88	-	2,989.85	115.28	103.40
Dies & Mould	4,921.50	71.03	30.14	4,962.39	4,847.12	80.38	30.14	4,897.36	74.38	65.03
<b>TOTAL</b>	<b>1,46,732.27</b>	<b>227.08</b>	<b>30.14</b>	<b>1,46,929.21</b>	<b>1,37,104.21</b>	<b>831.81</b>	<b>30.14</b>	<b>1,37,905.88</b>	<b>9,628.06</b>	<b>9,023.33</b>

Descriptions	Gross Carrying Amount			Accumulated Depreciation					Net Carrying Amount
	Original Cost as at 1-Apr-17	Addition during the year	Deduction during the year	As at 31-Mar-18	As at 1-Apr-17	For the year	Adjustment during the year	As at 31-Mar-18	As at 31-Mar-18
Land (Leasehold)	388.82	-	-	388.82	137.45	3.93	-	141.38	247.44
Buildings	16,625.88	143.00	-	16,768.88	14,358.35	333.49	-	14,691.84	2,077.04
Roads & Culverts	280.21	49.83	-	330.04	266.20	0.25	-	266.45	63.59
Plant & Equipment	1,13,065.95	614.30	-	1,13,680.25	107,217.06	4,02.10	-	1,07,619.16	6,061.09
Furniture & Fittings	2,164.47	42.00	-	2,206.47	2,014.87	21.48	-	2,036.35	170.12
Office Equipment	2,794.03	204.00	-	2,998.03	2,699.27	1.99	-	2,701.26	296.77
Computers and Data Processing Units	3,554.21	162.22	-	3,716.43	3,325.47	96.18	-	3,421.65	294.78
Electrical Installations & Equipments	3,093.25	-	-	3,093.25	2,989.85	11.09	-	3,000.94	92.31
Dies & Mould	4,962.39	96.80	13.55	5,045.64	4,897.36	76.36	13.55	4,960.17	85.47
<b>TOTAL</b>	<b>1,46,929.21</b>	<b>1,312.15</b>	<b>13.55</b>	<b>1,48,227.81</b>	<b>1,37,905.88</b>	<b>946.87</b>	<b>13.55</b>	<b>1,38,839.20</b>	<b>9,388.61</b>

Notes:

- 4.1 Sales/Adjustments of Dies of ₹ 13.55 ( Previous year ₹ 30.14 ) represent the amount of Dies broken due to continuous use in process.  
As these could not be re-used, the cost and accumulated depreciation have been written off/adjusted as per the usual practice.
- 4.2 Additions to Plant & Equipment during the year include ₹ 5,88.00 in respect of assets acquired for the purpose of Company's Research & Development Unit recognised by DSIR.

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Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
<b>5 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS</b>			
<b>Non-trade (Unquoted - at FVOCI)</b>			
In Equity Shares :			
2000 Equity Shares of ₹10 each of Yule Agro Industries Ltd.	20.00	20.00	20.00
51450 Equity Shares of ₹100 each New Town Telecom Infrastructure Development Co. Ltd.	5,145.00 5,165.00	5,145.00 5,165.00	5,145.00 5,165.00
<b>In Preference Shares at FVTPL:</b>			
3000 8% Cumulative Redeemable Preference Shares of ₹100 each of Yule Agro Industries Ltd.	300.00 5,465.00	300.00 5,465.00	300.00 5,465.00
<b>6 NON-CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES (Unsecured)</b>			
Considered Doubtful	21,281.03	21,281.03	18,414.59
Less: Provision for Doubtful Receivables	(21,281.03)	(21,281.03)	(18,414.59)
Total Trade Receivables	-	-	-
<b>6.1</b> No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.			
<b>7 NON-CURRENT FINANCIAL ASSETS- LOANS (Unsecured, considered good)</b>			
Security Deposits with Customers	9,679.34 19,679.34	19,547.04 19,547.04	14,913.82 14,913.82
<b>8 NON-CURRENT FINANCIAL ASSETS- OTHERS</b>			
Bank Deposits	1,616.69	1,800.00	1,100.00
Earnest Money Deposit	10,110.08 11,726.77	6,811.42 8,611.42	5,775.02 6,875.02
<b>9 DEFERRED TAX ASSETS</b>			
<b>Deferred Tax Assets</b>			
Inventory	1,685.43	1,924.86	1,925.92
Employee Benefits	12,964.79	16,965.50	18,514.63
Interest accrued and due on borrowings	2,705.43	7,725.90	7,072.23
Provision for Excise duty & Cess	-	164.62	131.52
Brought Forward Losses & Depreciation	1,316.59	1,542.77	2,904.06
Reclassification of Items to OCI	-	508.90	-
Trade Receivables	5,506.74	6,381.89	5,712.78
Gross Deferred Tax Assets	24,178.98	35,214.44	36,261.14
<b>Deferred Tax Liabilities</b>			
Fixed Assets	(1,336.23)	(1,463.46)	(1,576.52)
Interest Receivable	(131.24)	(288.11)	(186.69)
Reclassification of Items to OCI	(904.72)	-	-
Gross Deferred Tax Liabilities	(2,372.19)	(1,751.57)	(1,763.21)
Net Deferred Tax Assets	21,806.79	33,462.87	34,497.93

Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
<b>10 NON-CURRENT ASSETS- OTHERS</b> (Unsecured, considered good)			
Capital Advances	965.00	965.00	965.00
Deposit With Government Authorities	54.17	11.96	57.33
Deposit against Rent	50.00	51.65	51.65
Deposit for Materials	521.46	1,253.46	1,733.15
Other Advances (Sales Tax Authority)	6,285.21	6,285.21	6,285.21
	<u>7,875.84</u>	<u>8,567.28</u>	<u>9,092.34</u>
<b>11 INVENTORIES</b>			
"Raw Materials (Filament) at cost "including in-transit - Nil" (Previous Year - ₹ 586.39)	1,444.56	1,146.70	2,583.17
"Raw Materials & Components (Microwave Radio & Multiplexer) at cost including in-transit - ₹1,639.49 (Previous Year - Nil)	122,449.18	119,077.02	111,871.02
Work in Progress (Filament) at cost	2,118.02	1,527.18	1,460.86
Work in Progress( Microwave Radio & Multiplexer) at cost	85,658.42	101,506.31	108,834.86
Finished Goods ( Filament) at cost (*)	3,162.62	4,960.20	3,830.68
Stock-in-Trade at cost	287.19	133.62	327.21
Stores, Spares Parts (Filament) at cost	3,097.08	3,178.64	3,220.82
Loose Tools (Filament) at cost	63.38	85.59	97.82
"Consumable stores (Filament) at cost "including in-transit - Nil" (Previous Year - ₹ 536.68)	1,293.92	1,142.01	2,860.42
	<u>219,574.37</u>	<u>232,757.27</u>	<u>235,086.86</u>
Less : Provision Stock obsolescence	6,545.36	6,444.14	6,232.77
	<u>213,029.01</u>	<u>226,313.13</u>	<u>228,854.09</u>
(*) Include stock of scrap for ₹ 2,010.67 (Previous year- ₹ 1,519.86) at net realisable value.			
<b>12 CURRENT FINANCIAL ASSETS- TRADE RECEIVABLES</b> (Unsecured)			
Considered Good	113,780.39	76,535.86	69,682.54
Less: Provision for Doubtful Receivables	104.37	84.53	73.39
Total Trade Receivables	<u>113,676.02</u>	<u>76,451.33</u>	<u>69,609.15</u>
12.1 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a ember.			
<b>13 CURRENT FINANCIAL ASSETS- CASH AND CASH EQUIVALENTS</b>			
Balance with Scheduled Banks	172.95	166.80	146.02
On Current Accounts	13,884.69	6,643.80	6,017.90
On Margin Deposit Accounts	3,057.84	5,000.00	3,525.00
On Fixed Deposit Accounts	17,115.48	11,810.60	9,688.92
Cheques, drafts on hand		-	-
Cash on hand	12.90	10.55	19.88
	<u>17,128.38</u>	<u>11,821.15</u>	<u>9,708.80</u>
<b>14 CURRENT FINANCIAL ASSETS- OTHERS</b>			
Accrued Interest on Deposits	509.66	964.56	604.18
	<u>509.66</u>	<u>964.56</u>	<u>604.18</u>

## WEBFIL LIMITED

Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
<b>15 CURRENT TAX ASSETS (NET)</b>			
Advance Income Tax (Net of Provision)	19,401.87	16,249.47	11,277.57
	<u>19,401.87</u>	<u>16,249.47</u>	<u>11,277.57</u>
<b>16 OTHER CURRENT ASSETS</b>			
Advance to Staff against Expenses	0.50	87.77	37.40
Pre-paid Expenses	889.03	2,301.15	703.48
Recoverable from Taxation Authorities -			
Sales Tax	1,880.80	9,983.97	8,666.45
IGST/SGST/CGST	1,046.59	-	-
Central Excise	4,110.00	6,236.05	4,966.00
Others	7,037.39	16,220.02	13,632.45
	234.70	93.06	93.06
	<u>8,161.62</u>	<u>18,702.00</u>	<u>14,466.39</u>
<b>17 ASSET HELD FOR SALE</b>			
Vehicles:			
Fair Value less cost to sell			
Carrying Amount:			
Gross Block			499.93
Depreciation			474.94
			<u>24.99</u>
<b>18 SHARE CAPITAL</b>			
<b>Authorised</b>			
95,00,000 Equity Shares of ₹ 10 each	95,000.00	95,000.00	95,000.00
4,00,000 10% Cumulative Redeemable Preference Shares of ₹ 100 each	40,000.00	40,000.00	40,000.00
25,00,000 6% Cumulative Redeemable Preference Shares of ₹ 10 each	25,000.00	25,000.00	25,000.00
	<u>160,000.00</u>	<u>160,000.00</u>	<u>160,000.00</u>
<b>Issued, Subscribed and Paid-up</b>			
85,32,500 Equity Shares of ₹ 10 each fully paid up in cash	85,325.00	85,325.00	85,325.00
	<u>85,325.00</u>	<u>85,325.00</u>	<u>85,325.00</u>

\* Preference Shares classified as financial liability as per Ind AS 32 refer note -35

18.1 Reconciliation of Number of Shares outstanding is set out below :

Particulars	As at 31-Mar-2018 Equity	As at 31-Mar-2017 Equity
Shares at the beginning of the year	8,532.50	8,532.50
Add : Shares issued during the year	Nil	Nil
Less : Shares cancelled on buy back/redeemed during the year	Nil	Nil
Shares at the end of the year	8,532.50	8,532.50

18.2 Details of Shareholders holding more than 5% :

Name of Share Holder	As at 31-Mar-2018		As at 31-Mar-2017	
	No. of Shares	% held	No. of Shares	% held
West Bengal Industrial Development Corporation Ltd.				
(Equity Shares)	4,220.30	49.46	4,220.30	49.46
India Power Corporation Ltd. (Equity Shares)	2,003.80	23.49	2,003.80	23.49
3A Capital Services Ltd. (Equity Shares)	603.34	7.07	603.34	7.07

18.3 Rights, preferences and restrictions attached to the Shares : The Equity Shares of the Company, having par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement of dividend.

# Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

## 19 NON-CURRENT FINANCIAL LIABILITIES- BORROWINGS

Unsecured

20,44,000 6% Cumulative Redeemable Preference

Shares of ₹ 10 each (Ref. Note -19.1)"

0% Redeemable Non-convertible Bonds (Ref. Note - 19.2)

As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
26,985.90	24,377.51	22,021.23
19,976.66	18,505.37	16,716.69
<u>46,962.56</u>	<u>42,882.88</u>	<u>38,737.92</u>

19.1 The Preference Shares of the Company, having par value of ₹ 10 per share , rank pari passu in all respects and entitlement of dividend. The Company had issued 20,44,000 Nos. 6% Cumulative Redeemable Preference Shares of ₹10 each fully paid up at par equivalent to ₹ 204.40 lakhs to Andrew Yule & Co. Ltd on 25th January, 2008, with terms of redemption in 5 equal Installments commencing from April, 2009. Subsequently on 29th June, 2012 Andrew Yule & Co. Ltd. decided moratorium on redemption on the said Preference Shares till 1st April, 2014 and beyond that "they have approved further moratorium of 7 years on redemption in their Board Meeting held on 11th August, 2014.

19.2 The bonds were issued to Andrew Yule & Co. Ltd. (AYCL) on 20th December, 2006 and with the terms of redemption in suitable instalments after 8 years from the date of issue. Subsequently AYCL have approved moratorium of 7 years on redemption beyond 20th December, 2014 in their "Board Meeting held on 11th August, 2014.

## 20 NON-CURRENT- PROVISIONS

For Employee Benefits :

Gratuity

Leave Encashment & Medical Benefits

23,980.13	31,494.27	33,484.90
10,658.18	13,203.95	14,739.72
<u>34,638.31</u>	<u>44,698.22</u>	<u>48,224.62</u>

## 21 CURRENT FINANCIAL LIABILITIES- BORROWINGS

Secured

Govt. of West Bengal - Sales Tax Loan

(Ref. Note - 21.1 & 2)

Cash Credit from Bank of Baroda (Ref. Note - 21.2)

Short Term Loan - West Bengal Industrial Development

Corporation Ltd. (WBIDC) (Ref. Note - 21.3)

Unsecured

West Bengal Industrial Development Corporation Ltd.

(WBIDC) - Sales Tax Loan (Ref. Note - 21.4)"

75,840.05	75,840.06	75,840.06
29,236.61	32,493.25	33,294.86
8,400.00	8,400.00	8,400.00
-	5,349.60	5,349.60
<u>113,476.66</u>	<u>122,082.91</u>	<u>122,884.52</u>

21.1 The Sales Tax Loan of ₹ 7,58,40,055 was availed from Government of West Bengal vide order No.940-IR/O/IM-1/99 dated 26-02-2003 repayable with interest for a period of 11 years with 3 years moratorium (i.e. starting from 26.02.2007), carrying interest @ 8.75% per annum with a rebate of 2% for timely repayment. As the timely repayment could not be made, interest @8.75% has been considered since the year of loan disbursed. Meanwhile IR Department, Govt. of WB through a mere demand notice dated 15.03.2013, revised the ROI to 9.25% wef April, 2009. As there was no formal communication received from the department regarding enhancement of ROI beyond the agreemental rate, the company requested the department to revise the increased rate which is still pending finalisation. In view of the pendency of decision from Government's end, the agreemental rate of interest i.e. 8.75% has been considered during preparation of Financial Statement.

21.2 The above Term Loans are secured by way of pari-passu charge through joint equitable mortgage by deposit of the title deeds of the Company's immovable properties at Kalyani, District Nadia and the hypothecation of the company's entire movable properties, both present and future, in favour "of WBIDC, subject to the first charge created for the Cash Credit from Bank of Baroda by way of hypothecation of the Company's raw materials, "work-in-progress, consumable stores, spares, finished goods, book debts and dies in favour of the Company's banker. The Banker has become entitled to the second charge on the properties of the Company on which WBIDC enjoys the first charge. The Sales Tax Loan is secured by a residuary charge ranking next to the WBIDC and Bank of Baroda, on the Fixed Assets of the Company.

## WEBFIL LIMITED

### Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

21.3 Short Term Loan of ₹ 200 lakhs was availed from WBIDC on 29th September, 2004 repayable with interest within six months i.e by 31st March, 2005 at an interest @ 11.75% p.a. Repayment made upto 31st March, 2011 aggregating ₹ 116 lakhs leaving balance amount of ₹ 84 lakhs.

21.4 The Sales Tax Loan of ₹ 53,49,600 was availed from WBIDC under 1978 Incentive Scheme of Government of West Bengal in two phases during the year 1986-87 and 1993-94 repayable in 3 equal instalments after 15 years of disbursements carrying interest @ 2% above the State Lending Rate. Effective rate of interest considered in the accounts @12% upto 31.03.2017. During the year the entire principal and interest accrued & due upto 31.03.2017 have been settled by ₹ 78,49,600 against OTS as agreed by WBIDC.

#### 22 CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES

Micro, Small and Medium Enterprises  
Other Payables - for Goods & Services

As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
-	-	-
86,431.25	57,690.14	48,586.06
<u>86,431.25</u>	<u>57,690.14</u>	<u>48,586.06</u>

22.1 The Company has not received any information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest payable under this Act have not been given.

#### 23 CURRENT FINANCIAL LIABILITIES- OTHERS

Interest accrued but not due  
Interest accrued and due on borrowings

599.97	599.97	599.97
109,970.85	118,693.38	109,079.78
<u>110,570.82</u>	<u>119,293.35</u>	<u>109,679.75</u>

#### 24 OTHER CURRENT LIABILITIES

Advance from Customers  
Sales Tax Liabilities  
IGST/SGST/CGST  
Deposit from Contractor and others  
Liabilities for Expenses on Employees  
Liabilities in respect of goods purchased  
Other Liabilities

1,799.84	5,550.01	357.75
-	338.85	303.11
-	-	-
339.97	539.97	498.00
3,749.39	4,811.07	4,925.16
1,934.60	1,772.08	2,391.45
1,414.44	1,139.62	2,366.74
<u>9,238.24</u>	<u>14,151.60</u>	<u>10,842.21</u>

#### 25 SHORT-TERM PROVISIONS

For Employee Benefits :  
Gratuity  
Leave Encashment & Medical Benefits  
For Excise Duty & Cess on Closing Stock

11,568.83	9,244.51	8,413.04
4,141.58	2,855.05	3,280.23
-	551.13	425.63
<u>15,710.41</u>	<u>12,650.69</u>	<u>12,118.90</u>

Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

	For the year ended 31-Mar-2018		For the year ended 31-Mar-2017	
<b>26 REVENUE FROM OPERATIONS</b>				
Sale of Products	348,338.50		2,98,614.23	
Income from Services for Execution of Contract/Repair & Maintenance Job	<u>66,960.70</u>	415,299.20	<u>50,721.08</u>	349,335.31
Other Operating Revenue - Sale of Spent Acid		344.80		288.47
		<u>4,15,644.00</u>		<u>3,49,623.78</u>
<b>27 OTHER INCOME</b>				
Interest on Deposit etc.		523.85		1,418.63
Dividend		1,543.50		1,029.00
Net Gain on Foreign Exchange Fluctuation		65.14		219.23
Provision for Post Retiral Medical Benefits written back		673.01		5.00
Bad Debt Recovery		492.42		-
Misc. Receipt		0.82		-
		<u>3298.74</u>		<u>2,671.86</u>
<b>28 COST OF MATERIALS CONSUMED</b>				
Opening Stock				
Raw Materials & Consumable (Filament)				
[including Packing Materials]	2,288.71		5,443.59	
Raw Materials and Components (Microwave Radio & Multiplexer)	<u>1,19,077.02</u>	1,21,365.73	<u>1,11,871.02</u>	1,17,314.61
Add: Purchase during the year				
Raw Materials & Consumable (Filament)				
[including Packing Materials]	26,730.31		20,760.91	
Raw Materials and Components (Microwave Radio & Multiplexer)	<u>97,810.15</u>	<u>1,24,540.46</u>	<u>59,326.46</u>	<u>80,087.37</u>
		<u>2,45,906.19</u>		<u>1,97,401.98</u>
<b>Less: Closing Stock</b>				
Raw Materials & Consumable (Filament)				
[including Packing Materials]	2,738.48		2,288.71	
Raw Materials and Components (Microwave Radio & Multiplexer)	<u>122,449.18</u>	<u>125,187.66</u>	<u>119,077.02</u>	<u>121,365.73</u>
		<u>120,718.53</u>		<u>76,036.25</u>
<b>29 PURCHASE OF STOCK-IN-TRADE</b>				
Item traded for execution of Contract Job		<u>99,344.37</u>		<u>1,06,294.86</u>
		<u>99,344.37</u>		<u>1,06,294.86</u>
<b>30 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>				
Opening Stock				
Finished Goods (Filaments)	4,960.20		3,830.68	
Work in Progress (Filaments)	1,527.19		1,460.86	
Work in Progress ( Radio & Digital System )	1,01,506.31		1,08,834.86	
Stock-in-Trade	<u>133.62</u>	1,08,127.32	<u>327.21</u>	114,453.61
Closing Stock				
Finished Goods (Filaments)	3,162.62		4,960.20	
Work in Progress (Filaments)	2,118.02		1,527.19	
Work in Progress ( Radio & Digital System )	85,658.42		1,01,506.31	
Stock-in-Trade	<u>287.19</u>	<u>91,226.25</u>	<u>133.62</u>	<u>108,127.32</u>
		<u>16,901.07</u>		<u>6,326.29</u>

## WEBFIL LIMITED

Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

	For the year ended 31-Mar-2018	For the year ended 31-Mar-2017
<b>31 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	62,223.02	64,086.88
Contribution to Provident and other Funds	5,328.00	5,509.01
Employees' Welfare Expenses	5,103.25	5,422.93
	<b>72,654.27</b>	<b>75,018.82</b>
<b>32 FINANCE COST</b>		
INTEREST EXPENSES		
On Borrowings other than Banks	13,283.17	13,758.55
On Borrowings from Banks	2,925.49	3,411.33
Suppliers' Interest	819.91	612.01
Interest paid to Sales Tax Authority	50.15	201.46
	<b>17,078.72</b>	<b>17,983.35</b>
<b>33 OTHER EXPENSES</b>		
Stores & Spares Consumed	737.11	646.33
Rent	2,174.94	2,071.92
Rates & Taxes	299.88	904.35
Power and Fuel	9,482.34	8,899.45
Travelling Expenses and Upkeep of Vehicles	4,952.49	4,056.80
Printing and Stationery	231.77	154.67
Telephone, Telex & Postage	545.88	568.72
Advertisements	106.21	87.96
Bank Charges	2,650.31	2,360.27
Directors' Fees	149.00	137.50
Miscellaneous Expenses	4,451.28	2,381.72
Insurance	382.20	379.12
Repairs & Maintenance :		
Building	356.76	159.84
Plant and Machinery	893.14	726.78
Others	831.86	667.77
Selling Expenses	2,081.76	1,554.39
Payment to Auditors as :	1,682.81	1,820.73
Audit Fees	80.00	80.00
Certification	40.00	40.00
Tax Audit Fees	120.00	120.00
Factory Security Services	20.00	12.50
Provision for Doubtful Debts	1,742.49	1,670.10
Provision for Stock Obsolescence	19.84	2,877.57
Provision for Stock Obsolescence	101.22	211.37
Expenses on Execution of Contract Job	42,925.00	15,739.68
Research & Development Expenses ( Ref. Note -41)	7,668.45	7,177.86
	<b>82,524.98</b>	<b>53,833.01</b>
<b>34 EXCEPTIONAL ITEM</b>		
Waiver of Interest	14,926.02	-
	<b>14,926.02</b>	-

**FIRST TIME ADOPTION OF IND AS****35 Disclosure as required by Ind AS 101 for First Time Adoption of Ind AS**

These Financial statements, for the year ended 31st March, 2018 are the first, the Company has prepared in accordance with Ind AS. For the period upto and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with para 7 of the Companies (Accounts) rules, 2014 (Indian GAAP). Accordingly, the Company has prepared its financial statements to comply with Ind AS for the year ending 31st March, 2018 together with comparative date as at end for the year ended 31st March, 2017 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2016, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2016 and the financial statement as at and for the year ended 31st March, 2017

The Company has:

- (a) recognised all assets and liabilities whose recognition is required by Ind ASs;
- (b) not recognised items as assets or liabilities if Ind ASs do not permit such recognition;
- (c) reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs; and
- (d) applied Ind ASs in measuring all recognised assets and liabilities

**I. MANDATORY EXCEPTIONS****Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimate were in error." Ind AS estimate as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**Classification and measurement of financial assets**

The Company has assessed whether a financial asset meets the conditions to be classified at Amortised Cost or at Fair Value through Other Comprehensive Income or at Fair Value through Profit and Loss Account on the basis of the facts and circumstances that existed at the date of transition to Ind AS. "Wherever it was impracticable for the Company to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind AS has been taken as the new gross carrying amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind AS.

**Government loans**

The Company has used its previous GAAP carrying amount of the Government Loans at the date of transition to Ind AS as the carrying amount of the loan in the opening Ind AS Balance Sheet. The Company has applied Ind AS 109 to the measurement of such loans after the date of transition to Ind AS.

**II. VOLUNTARY EXEMPTIONS****Deemed Cost**

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

## WEBFIL LIMITED

### Designation of previously recognised financial instruments

The Company has designated, at the date of transition to Ind AS, financial liabilities as at amortised cost or at fair value through profit or loss as specified under Ind AS. The Company has designated investments in equity instrument as at fair value through other comprehensive income and other investments at fair value through profit and loss account on the basis of the facts and circumstances that existed at the date of transition to Ind AS.

### Non-current assets held for sale and discontinued operations

The Company has measured Non-current assets (or disposal groups) that meet the criteria to be classified as held for sale, at the lower of carrying value and fair value less cost to sell at the date of transition to Ind ASs in accordance with Ind AS 105 and recognised directly in retained earnings the difference between that amount and the carrying amount of the assets at the date of transition to Ind ASs determined under the entity's previous GAAP.

### III. Notes to the reconciliation of equity as at 1st April, 2016 and 31st March, 2017 and total comprehensive income for the year ended 31st March, 2017

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

(i) Reconciliation of Equity as at 1st April, 2016

(ii) (a) Reconciliation of Equity as at 31st March, 2017

(b) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2017

(iii) Adjustments to Statement of Cash Flows for the year ended 31st March, 2017

#### A Property, plant and equipment

The Company has elected to continue with the carrying value of all of its Plant, Property and Equipment measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

#### B Asset classified as held for sale

Under previous GAAP, assets having carrying value of INR 24,997 were disclosed as "Property, Plant and Equipment". Considering the visibility of their sale, these assets were reclassified as per Ind AS, on the date of transition, under 'Asset held for Sale'. Depreciation on these assets from the date of reclassification has been reversed with corresponding adjustment to retained earnings.

#### C Fair valuation of Investments

Under the previous GAAP, investment in equity instruments were classified as long- term investments based on the intended holding period and realisability. Long- term investments were carried at cost less provision for diminution other than temporary, in the value of such investments.

Under Ind AS investment in equity instruments have been classified as FVTOCI . The resulting fair value changes in these investments if any will be recognized in retained earnings as at the date of transition, and in the OCI for the subsequent periods. Under Ind AS Investment in Preference Shares have been classified as FVTPL . The resulting fair value changes of these investments if any will be recognized in retained earnings as at the date of transition, and in the profit and loss for the subsequent periods.

#### D Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

The impact of transition adjustments for computation of deferred taxes under Ind AS, has resulted in credit to the Retained earnings on the date of transition, and suitable adjustment have been made for the subsequent periods to the Statement of Profit and Loss or OCI or Other Equity as may be applicable.

**E Preference Share Capital**

As required under Ind AS, the 6% Cumulative Redeemable Preference Share Capital has been reclassified from equity to financial liability, measured at amortised cost. On the date of transition the company has also recognised the liability of outstanding cumulative dividend and the transition differences have been adjusted with retained earnings. The effective financial charge for subsequent periods is charged to the statement of profit and loss.

**F Excise Duty**

Under Previous GAAP, excise duty was netted off against sale of goods. However, under Ind AS, excise duty is included in sale of goods and is separately presented as expense on the face of Statement of Profit and Loss. Thus, sale of goods under Ind AS has increased with a corresponding increase in expenses.

**G Defined benefit obligation**

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined liability are recognised in other comprehensive income.

**H Other Comprehensive Income**

Under Ind AS, all items of income and expense recognized in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss as other comprehensive income includes re-measurement of defined benefits plans and fair value gains or losses on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

**I Reclassification of Assets and Liabilities**

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

**J Non-Convertible Bonds**

Under Indian GAAP 0% Redeemable Non-convertible Bonds were carried at book value. Under Ind AS the debt has been designated at Amortised Cost and the transition difference has been adjusted through retained earnings.

**K Impact on investments in joint venture and associates & Impact of changes in Related Party**

As per Indian Accounting Standard (Ind AS 28), "Investments in Associates and Joint Ventures", there is a requirement of assessment that if an entity holds, directly or indirectly 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. Under previous GAAP, New Town Telecom Infrastructure Development Co. Ltd. was recognized as Joint venture and Yule Agro Industries Ltd was recognized as associate. Based on assessment of significant influence and terms of joint arrangement carried out by the Company under Ind AS the management is of the view that under the Indian Accounting Standard the conditions are not being met as a result, equity investment in these entities have been assessed to be carried at fair value through other comprehensive income. Investments in Preference shares of Yule Agro Industries Limited have been assessed to be carried at fair value through profit and loss.

## WEBFIL LIMITED

Notes on Financial Statement for the Year ended 31st March, 2018

### 35.1 RECONCILIATION OF EQUITY AS AT 1ST APRIL, 2016

(₹ in "000", unless otherwise stated)

Particulars	Note (35)	Indian GAAP	Adjustments	Ind AS
<b>ASSETS</b>				
1 Non-Current Assets				
(a) Property, plant and equipment	A, B	9,653.06	(25.00)	9,628.06
(b) Financial Assets				
(i) Investment		5,465.00	-	5,465.00
(ii) Loans	I	41,058.75	(26,144.93)	14,913.82
(iii) Others	I	-	6,875.02	6,875.02
(c) Deferred tax assets (net)	D	22,995.91	11,502.02	34,497.93
(d) Other non-current assets	I	-	9,092.34	9,092.34
2 Current Assets				
(a) Inventory		2,28,854.09	-	228,854.09
(b) Financial Asset				
(i) Trade receivable	L	69,682.54	(73.39)	69,609.15
(ii) Cash and cash equivalent	I	10,808.80	(1,100.00)	9,708.80
(iii) Bank balance other than (ii)		-	-	-
(iv) Loans	I	14,466.39	(14,466.39)	-
(v) Others	I	-	604.18	604.18
(c) Current tax assets (net)	I	-	11,277.57	11,277.57
(d) Other Current assets	I	604.18	13,862.21	14,466.39
(e) Asset classified as held-for-sale	B	-	25.00	25.00
<b>TOTAL ASSETS</b>		<b>4,03,588.72</b>	<b>11,428.63</b>	<b>4,15,017.35</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	E	1,05,765.00	(20,440.00)	85,325.00
(b) Other Equity		(85,012.35)	23,630.71	(61,381.63)
<b>LIABILITIES</b>				
1 Non-Current Liabilities				
(a) Financial Liabilities				
Borrowings	E, J	30,500.00	8,237.92	38,737.92
(b) Provisions		48,224.62	-	48,224.62
2 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	I	41,694.87	81,189.66	122,884.52
(ii) Trade Payables		48,586.06	-	48,586.06
(iii) Other financial liabilities	I	-	109,679.75	109,679.75
(b) Other Current liabilities	I	2,01,711.62	(1,90,869.41)	10,842.21
(c) Provisions		12,118.90	-	12,118.90
(d) Current Tax Liabilities (net)		-	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,03,588.72</b>	<b>11,428.63</b>	<b>4,15,017.35</b>

Notes on Financial Statement for the Year ended 31st March, 2018

35.2 RECONCILIATION OF EQUITY AS AT 31ST MARCH, 2017

(₹ in "000", unless otherwise stated)

Particulars	Note (35)	Indian GAAP	Adjustments	Ind AS
<b>ASSETS</b>				
1 Non-Current Assets				
(a) Property, plant and equipment		9,023.33	-	9,023.33
(b) Financial Assets				
(i) Investment		5,465.00	-	5,465.00
(ii) Loans	I	51,175.22	(31,628.18)	19,547.04
(iii) Others	I	-	8,611.42	8,611.42
(c) Deferred tax assets (net)	D	23,788.31	9,674.56	33,462.87
(d) Other non-current assets	I	-	8,567.28	8,567.28
2 Current Assets				
(a) Inventory		226,313.13	-	226,313.13
(b) Financial Asset		-	-	-
(i) Trade receivable		76,535.86	(84.53)	76,451.33
(ii) Cash and cash equivalent	I	13,621.15	(1,800.00)	11,821.15
(iii) Bank balance other than (ii)		-	-	-
(iv) Loans	I	18,702.00	(18,702.00)	-
(v) Others	I	-	964.56	964.56
(c) Current tax assets (net)	I	-	16,249.47	16,249.47
(d) Other Current assets	I	964.56	17,737.44	18,702.00
(e) Asset classified as held-for-sale		-	-	-
<b>TOTAL ASSETS</b>		<b>4,25,588.56</b>	<b>9,590.02</b>	<b>435,178.58</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital	E	1,05,765.00	(20,440.00)	85,325.00
(b) Other Equity		(81,243.36)	17,647.15	(63,596.21)
<b>LIABILITIES</b>				
1 Non-Current Liabilities				
(a) Financial Liabilities				
Borrowings	E	30,500.00	12,382.88	42,882.88
(b) Provisions		44,698.22	-	44,698.22
2 Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	E, J	40,893.26	81,189.65	1,22,082.91
(ii) Trade Payables		57,690.14	-	57,690.14
(iii) Other financial liabilities	I	-	1,19,293.34	1,19,293.34
(b) Other Current liabilities	I	2,14,634.60	(200,483.00)	14,151.60
(c) Provisions		12,650.70	-	12,650.70
(d) Current Tax Liabilities (net)		-	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,25,588.56</b>	<b>9,590.02</b>	<b>4,35,178.58</b>

## WEBFIL LIMITED

### 35.3 RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in "000", unless otherwise stated)

Particulars	Note (35)	Indian GAAP	Adjustments	Ind AS
<b>I. INCOME</b>				
Revenue From Operations	F	3,34,302.25	15,321.53	3,49,623.78
Other Income		2,671.86	-	2,671.86
Total Income		<b>3,36,974.11</b>	<b>15,321.53</b>	<b>3,52,295.64</b>
<b>II. EXPENSES</b>				
Cost of materials consumed		76,036.25	-	76,036.25
Purchases of Stock-in-Trade		1,06,294.86	-	1,06,294.86
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		6,326.29	-	6,326.29
Employee benefits expense		76,722.54	(1,703.72)	75,018.82
Finance costs	E, J	13,838.40	4,144.95	17,983.35
Depreciation and amortization expense		831.81	-	831.81
Other expenses	F	53,947.37	(114.36)	53,833.01
Excise duty	F	-	15,447.03	15,447.03
Total Expenses		<b>3,33,997.52</b>	<b>17,773.90</b>	<b>3,51,771.42</b>
<b>III. Profit/(loss) before tax (I - II)</b>		<b>2,976.59</b>	<b>(2,452.37)</b>	<b>524.22</b>
<b>IV. Tax expense</b>				
i. Current Tax				
ii. Deferred Tax	D	(792.40)	2,336.37	1,543.97
<b>V. Profit/(loss) for the period (III - IV)</b>		<b>3,768.99</b>	<b>(4,788.74)</b>	<b>(1,019.75)</b>
<b>VI. Other Comprehensive Income</b>				
<b>A</b> (i) Items that will not be reclassified to profit or loss	G	-	(1,703.72)	(1,703.72)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	508.90	508.90
		-	(1,194.82)	(1,194.82)
<b>B</b> (i) Items that will be reclassified to profit or loss		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
<b>IX. Total Comprehensive Income for the period (V + VI)</b> (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<b>3,768.99</b>	<b>(5,983.56)</b>	<b>(2,214.57)</b>

### 36 Financial Risk Management Objectives (Ind AS 107):

- a.) The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Risk	Exposure Arising From	Measurement	Management
Credit Risk	Trade receivables, Investments, Loans	Ageing analysis, Credit Rating	Credit limit and credit worthiness monitoring,
Liquidity Risks	Borrowings and Other Liabilities	Cash flow forecasts	Availability of committed borrowing facilities.

#### b.) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that affect market risk.

#### c.) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

#### d.) Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with banks. The Company is generally receiving payments from the parties within due dates. Hence, the company has no significant credit risk related to these parties.

#### e.) Trade receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

## WEBFIL LIMITED

Trade receivables (Contd.)

As at 31st March 2018

(₹ in "000", unless otherwise stated)

Ageing Schedule	6 months	6 months to 1 year	1 year "to 2 year	2 years to 3 years"	Above 3 years
Gross carrying amount	76,508.10	6,296.28	15,295.53	4,363.71	11,316.77
Expected loss rate	0.05%	0.10%	0.15%	0.20%	0.25%
Expected credit losses (Loss allowance provision)	38.11	6.30	22.94	8.73	28.29
Carrying amount of trade receivables (net of impairment)	76,469.99	6,289.98	15,272.59	4,354.98	11,288.48

As at 31st March 2017

(₹ in "000", unless otherwise stated)

Ageing Schedule	6 months	6 months to 1 year	1 year "to 2 year	2 years to 3 years"	Above 3 years
Gross carrying amount	19,081.52	42,465.52	3,197.10	3,509.18	8,282.53
Expected loss rate	0.05%	0.10%	0.15%	0.20%	0.25%
Expected credit losses (Loss allowance provision)	9.54	42.47	4.80	7.02	20.71
Carrying amount of trade receivables (net of impairment)	19,071.98	42,423.05	3,192.30	3,502.16	8,261.82

As at 1st April 2016

(₹ in "000", unless otherwise stated)

Ageing Schedule	6 months	6 months to 1 year	1 year "to 2 year	2 years to 3 years"	Above 3 years
Gross carrying amount	42,891.37	3,151.99	8,230.62	4,154.29	11,254.27
Expected loss rate	0.05%	0.10%	0.15%	0.20%	0.25%
Expected credit losses (Loss allowance provision)	21.45	3.15	12.35	8.31	28.14
Carrying amount of trade receivables (net of impairment)	42,869.92	3,148.84	8,218.27	4,145.98	11,226.13

### f.) Investments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

### g.) Liquidity risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. In addition, processes and policies related to such risks are overseen by senior management.

#### h.) Classifications of Financial Assets and Liabilities (Ind AS 107):

(₹ in "000", unless otherwise stated)

Particulars	31-Mar-18	31-Mar-17	1-Apr-16
<b>Financial Assets at amortised cost</b>			
Trade Receivable	113,676.02	76,451.33	69,609.15
Security Deposit	19,679.34	19,547.04	14,913.82
Cash and cash equivalent	17,128.38	11,821.15	9,708.80
Other Financial Assets	12,236.44	9,575.98	7,479.20
<b>Financial Assets at fair value through profit or loss</b>			
Investment in Preference share	300.00	300.00	300.00
<b>Financial Assets at fair value through other comprehensive income</b>			
Investment in Equity	5,165.00	5,165.00	5,165.00
<b>Total</b>	<b>1,68,185.18</b>	<b>1,22,860.50</b>	<b>1,07,175.97</b>

Particulars	31-Mar-18	31-Mar-17	1-Apr-16
<b>Financial Liabilities at amortised cost</b>			
Trade Payables	86,431.25	57,690.14	48,586.06
Borrowings	46,962.56	42,882.88	38,737.92
Other Financial Liabilities	1,10,570.82	1,19,293.35	1,09,679.75
<b>Financial Liabilities at fair value through profit or loss</b>			
Borrowings	1,13,476.66	1,22,082.91	1,22,884.52
<b>Total</b>	<b>3,57,441.29</b>	<b>3,41,949.28</b>	<b>3,19,888.25</b>

## WEBFIL LIMITED

### 37 FAIR VALUE MEASUREMENTS (IND AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(₹ in "000", unless otherwise stated)

Particulars	Level 1	Level 2	Level 3
<b>Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:</b>			
Investments	-	-	5,465.00
Trade Receivable	-	-	113,676.02
Security Deposit	-	-	19,679.34
Other Financial Assets	-	-	12,236.44
Trade Payables	-	-	86,431.25
Borrowings	-	-	1,60,439.22
Other Financial Liabilities	-	-	1,10,570.82
<b>Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2017 :</b>			
Investments	-	-	5,465.00
Trade Receivable	-	-	76,451.33
Security Deposit	-	-	19,547.04
Other Financial Assets	-	-	9,575.98
Trade Payables	-	-	57,690.14
Borrowings	-	-	164,965.79
Other Financial Liabilities	-	-	1,19,293.35
<b>Quantitative disclosures fair value measurement hierarchy for assets as at April 1, 2016:</b>			
Investments	-	-	5,465.00
Trade Receivable	-	-	69,609.15
Security Deposit	-	-	14,913.82
Other Financial Assets	-	-	7,479.20
Trade Payables	-	-	48,586.06
Borrowings	-	-	1,61,622.44
Other Financial Liabilities	-	-	1,09,679.75

The management assessed that fair value of cash and bank balances, trade receivables, trade payables, cash credits, and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial instruments is determined using discounted cash flow analysis or based on the contractual terms. The discount rates used is based on management estimates.

### 38 EMPLOYEE BENEFITS

#### A. Defined Contribution Plans:

The Company makes contributions for provident fund and pension towards defined contribution retirement benefit plan for eligible employees. Under the said plans, the Company is required to contribute a specified percentage of the employees' salaries to fund the benefit Plan.

#### B. Defined Benefit Plans:

(i) **Gratuity:** The Company has a defined benefit Gratuity Plan which covers all employees as required under the Payment of Gratuity Act, 1972. The Scheme is funded with Life Insurance Corporation of India. The Company has provided for gratuity based on actuarial valuation done as per Projected Unit Credit Method .

(ii) **Leave encashment:** Liability at the year end for leave encashment has been determined and provided on the basis of an actuarial valuation carried out using the method prescribed under Ind AS 19.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

	Gratuity (Funded)			Leave encashment		
	Valuation as at					
	31-Mar-18	31-Mar-17	1-Apr-16	31-Mar-18	31-Mar-17	1-Apr-16
Discount Rate(s)	7.40%	7.04%	7.59%	7.40%	7.04%	7.59%
Expected Rate(s) of salary increase	3.00%	4.00%	4.00%	3.00%	4.00%	4.00%
Employee Attrition Rate(s)	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

The following table sets forth the particulars in respect of the Defined Benefits Plans of the Company for the "year ended 31st March 2018

(₹ in "000", unless otherwise stated)

Particulars	Gratuity (Funded)		Leave encashment	
	2017-18	2016-17	2017-18	2016-17
<b>I (a) Expense recognised in the Statement of Profit and Loss</b>				
Current Service Cost	1,456.81	1,516.18	706.04	666.04
Past Service Cost	1,686.23	-	-	-
Net interest expense	2,868.01	3,180.05	1,122.11	1,358.23
Actuarial (Gain) / Loss recognized for the period	-	-	466.57	372.55
Components of defined benefit costs recognized in profit or loss	6,011.05	4,696.23	2,294.72	2,396.82
<b>(b) Included in other Comprehensive Income</b>				
Actuarial (Gain) / Loss recognized for the period	(3,759.50)	1,579.65	-	-
Return on Plan Assets excluding net interest	246.01	124.08	-	-
Actuarial (Gain) / Loss recognized in OCI	(3,513.48)	1,703.72	-	-
<b>II Net Asset/(Liability) recognised in the Balance Sheet</b>				
1 Present value of defined benefit obligation	39,755.38	44,977.48	14,799.76	15,939.00
2 Fair value of plan assets	4,206.42	4,238.71	-	-
3 Surplus/(Deficit)	(35,548.96)	(40,738.78)	(14,799.76)	15,939.00

## WEBFIL LIMITED

Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

### 38 "EMPLOYEE BENEFITS" (Contd.)

III	Change in the obligation during the year
1	Present value of defined benefit obligation at the beginning of the year
2	Expenses Recognised in Profit and Loss Account
	- Current Service Cost
	- Past Service Cost
	- Interest Expense (Income)
	Actuarial Loss/(Gain) arising from :
	i. Demographic Assumptions
	ii. Financial Assumptions
	iii. Experience Adjustments
3	Recognised in Other Comprehensive Income
	Remeasurement gains / (losses)
	Actuarial Loss/(Gain) arising from :
	i. Demographic Assumptions
	ii. Financial Assumptions
	iii. Experience Adjustments
4	Benefit payments
5	Present value of defined benefit obligation at the end of the year
IV	Change in fair value of assets during the year
1.	Fair value of plan assets at the beginning of the year
2.	Adjustments to Opening Fair Value of Plan asset
3.	Expenses Recognised in Profit and Loss Account
	Expected return on plan assets
4.	Recognised in Other Comprehensive Income
	Remeasurement gains / (losses)
	Actual Return on plan assets in excess of the expected return
	Investment Income
5.	Contributions by employer (including benefit payments recoverable)
6.	Benefit payments
7.	Fair value of plan assets at the end of the year

Gratuity (Funded)		Leave encashment	
2017-18	2016-17	2017-18	2016-17
44,977.48	46,711.18	15,939.00	17,894.95
1,456.81	1,516.18	706.04	666.04
1,686.23	-	-	-
3,166.42	3,545.38	1,122.11	1,358.23
-	-	-	-
-	-	(758.45)	270.83
-	-	1,225.02	101.72
-	-	-	-
(1,647.15)	688.20	-	-
(2,112.35)	891.45	-	-
(7,772.06)	(8,374.91)	(3,433.96)	(4,352.77)
<u>39,755.38</u>	<u>44,977.48</u>	<u>14,799.76</u>	<u>15,939.00</u>
4,238.71	4,813.25	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(246.01)	(124.08)	-	-
298.41	365.33	-	-
7,687.39	7,559.11	3,433.96	4,352.77
<u>(7,772.06)</u>	<u>(8,374.91)</u>	<u>(3,433.96)</u>	<u>(4,352.77)</u>
<u>4,206.44</u>	<u>4,238.70</u>	<u>-</u>	<u>-</u>

Best Estimate of Contribution During Next year

38,581.62 43,586.00 N. A. N. A.

\*\* Please note that Past Service Cost is arising due to Increase in Gratuity Ceiling from Rs. 10,00,000/- to Rs. 20,00,000/-

(₹ in "000", unless otherwise stated)

Division of Defined Benefit Obligation (Current / Non-Current) at the end of the period

#### Particulars

1. Current Defined Benefit Obligation
2. Non-Current Defined Benefit Obligation
3. Total Defined Benefit Obligation

31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
11,568.83	9,244.51	4,141.58	2,849.05
28,186.55	35,732.98	10,658.18	13,089.95
39,755.38	44,977.48	14,799.76	15,939.00

Maturity profile of defined benefit obligation (Undiscounted amount) :

#### Period

1 year
2 to 5 years
6 to 10 years
More than 10 periods

2017-18	2016-17	2017-18	2016-17
11,568.83	9,244.51	4,141.58	2,849.05
27,165.66	32,716.51	9,707.91	12,033.87
8,473.87	10,434.40	2,968.92	3,424.69
4,601.61	5,112.81	3,148.32	2,903.67
<u>51,809.97</u>	<u>57,508.23</u>	<u>19,966.73</u>	<u>21,211.28</u>

Notes on Financial Statement for the Year ended 31st March, 2018

(` in "000", unless otherwise stated)

38 "EMPLOYEE BENEFITS" (Contd.)

	Gratuity (Funded)			
Sensitivity Analysis	31-Mar-18		31-Mar-17	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	38,569.34	41,031.15	43,746.65	46,305.66
%Change Compared to base due to sensitivity	-2.98%	3.21%	-2.74%	2.95%
Salary Growth (-/+ 0.5%)	41,148.04	38,440.53	46,124.45	43,898.49
%Change Compared to base due to sensitivity	3.50%	-3.31%	2.55%	-2.40%
Attrition Rate (-/+ 10%)	39,959.37	39,533.24	45,186.68	44,754.05
%Change Compared to base due to sensitivity	0.51%	-0.56%	0.47%	-0.50%
Mortality Rate (-/+ 10%)	39,809.14	39,700.90	45,043.47	44,910.74
%Change Compared to base due to sensitivity	0.14%	-0.14%	0.15%	-0.15%
Weighted average duration (based on discounted cashflow)	3 years		4 years	

	Leave encashment			
Sensitivity Analysis	31-Mar-18		31-Mar-17	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	14,365.36	15,274.42	15,455.83	16,466.64
%Change Compared to base due to sensitivity	-2.94%	3.21%	-3.03%	3.31%
Salary Growth (-/+ 0.5%)	15,376.10	14,264.18	16,448.08	15,464.79
%Change Compared to base due to sensitivity	3.89%	-3.62%	3.19%	-2.98%
Attrition Rate (-/+ 10%)	14,912.96	14,674.75	16,028.73	15,841.53
%Change Compared to base due to sensitivity	0.76%	-0.84%	0.56%	-0.61%
Mortality Rate (-/+ 10%)	14,824.26	14,774.87	15,962.65	15,915.05
%Change Compared to base due to sensitivity	0.17%	-0.17%	0.15%	-0.15%
Weighted average duration (based on discounted cashflow)	3 years		4 years	

Notes:

- The expenses for the above mentioned benefits have been disclosed under the following line items.  
- Gratuity - under 'Contribution to Provident and Other Funds'  
- Leave Encashment - Under 'Salaries, Wages, Bonus etc'
- The estimate of future salary increases have taken into account inflation, seniority, promotion and other relevant factors.
- The planned assets of the company are managed by the Life Insurance Corporation of India and the composition of the investment relating to these assets is not available with the Company.

## WEBFIL LIMITED

### Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

<b>39 TAX EXPENSE</b>		
Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Current Tax	1,492.08	-
Deferred Tax	10,751.36	1,543.97
	<u>12,243.44</u>	<u>1,543.97</u>

### 40 DEFERRED TAX ASSET

(₹ in "000", unless otherwise stated)

#### 40.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2017 and 31st March, 2018

Particulars	As at 1st April, 2016	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31st March, 2017
<b>Deferred Income Tax Assets</b>				
Inventory	1,925.92	(1.06)	-	1,924.86
Employee Benefits	18,514.63	(1,549.13)	-	16,965.50
Interest accrued and due on borrowings	7,072.23	653.67	-	7,725.90
Provision for Excise duty & Cess	131.52	33.10	-	164.62
Brought Forward Losses & Depreciation	2,904.06	(1,361.29)	-	1,542.77
Reclassification of Items to OCI	-	-	508.90	508.90
Trade Receivables	5,712.78	669.10	-	6,381.89
	<b>36,261.14</b>	<b>(1,555.61)</b>	<b>508.90</b>	<b>35,214.44</b>
<b>Deferred Income Tax Liabilities</b>				
Fixed Asset	(1,576.52)	113.06	-	(1,463.46)
Interest Receivable	(186.69)	(101.42)	-	(288.11)
Reclassification of Items to OCI	-	-	-	-
	<b>(1,763.21)</b>	<b>11.64</b>	<b>-</b>	<b>(1,751.57)</b>

(₹ in "000", unless otherwise stated)

Particulars	As at 1st April, 2017	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31st March, 2018
<b>Deferred Income Tax Assets</b>				
Inventory	1,924.86	(239.43)	-	1,685.43
Employee Benefits	16,965.50	(4,000.71)	-	12,964.79
Interest accrued and due on borrowings	7,725.90	(5,020.46)	-	2,705.44
Provision for Excise duty & Cess	164.62	(164.62)	-	-
Brought Forward Losses & Depreciation	1,542.77	(226.18)	-	1,316.59
Reclassification of Items to OCI	508.90	(508.90)	-	-
Trade Receivables	6,381.89	(875.15)	-	5,506.74
	<b>35,214.44</b>	<b>(11,035.45)</b>	<b>-</b>	<b>24,178.99</b>
<b>Deferred Income Tax Liabilities</b>				
Depreciation	(1,463.46)	127.22	-	(1,336.24)
Interest Receivable	(288.11)	156.87	-	(131.24)
Reclassification of Items to OCI	-	-	(904.72)	(904.72)
	<b>(1,751.57)</b>	<b>284.09</b>	<b>(904.72)</b>	<b>(2,372.20)</b>

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

Notes on Financial Statement for the Year ended 31st March, 2018

**41 RESEARCH AND DEVELOPMENT**

Research and development expenditure that do not meet the recognition criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

	(₹ in "000", unless otherwise stated)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>Details of expenditure for Research &amp; Development Activity</b>		
Raw material and Component consumed (Ref Note 33)	90.39	84.28
Employee Benefits expenses (Ref Note 33)	7,578.06	7,093.58
Capital expenditure (Ref Note 4.2)	588.00	-
	<u>8,256.45</u>	<u>7,177.86</u>

**42 CONTINGENT LIABILITIES AND COMMITMENTS**

(₹ in "000", unless otherwise stated)			
Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>i Contingent Liabilities shall be classified as-</b>			
(a) Claims/Disputes/Demands not acknowledged as debts debt;			
(i) Disputed Sales Tax matters lying with Revision Board	3,240.32	3,240.32	4,952.42
(ii) Disputed Sales Income Tax matters lying with Appellate Forum	8,520.56	3,975.92	5,590.27
(iii) Disputed Excise/Service Tax claims excluding interest & penalty against which appeal has been preferred by the company	25,116.27	25,502.75	25,502.75
(b) guarantees excluding financial guarantees;			
"Guarantees issued by the Banker in connection with the Company's operation and remaining outstanding"	32,318.66	26,991.21	24,219.62
(c) Indemnities under export obligation (*)	26,416.81	24,462.47	33,389.69
(*) In respect of Export obligation amounting to Rs.700.65 lakhs (Previous year Rs. 700.65 lakhs), the Company has fulfilled the requisite formalities and does not consider the same as contingent liability. The Company is awaiting the confirmation of the same from the appropriate authority.			
<b>ii Commitments shall be classified as-</b>			
(a) estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-	-
(b) uncalled liability on shares and other investments partly paid; and	-	-	-
(c) other commitments- Letters of Credit (Import/Inland) opened by the Company's banker and remaining outstanding	32,956.69	12,457.31	24,082.42

## WEBFIL LIMITED

Notes on Financial Statement for the Year ended 31st March, 2018

(₹ in "000", unless otherwise stated)

### 43 AMOUNT PAID / PAYABLE TO THE AUDITORS

Particulars	Year ended 31-Mar-18	Year ended 31-Mar-17
Audit Fees	80.00	80.00
Tax Audit Fees	-	-
In other Capacity	40.00	40.00
	<u>120.00</u>	<u>120.00</u>

### 44 INCOME/EXPENDITURE IN FOREIGN CURRENCY

Year ended  
31st March, 2018

(₹ in "000", unless otherwise stated)  
Year ended  
31st March, 2017

<b>INCOME :</b>			
For Export on FOB basis		32,202.59	34,169.73
<b>EXPENDITURE :</b>			
For Import on C.I.F basis	31,698.01		19,417.46
For Travelling	142.55		-
For Foreign bank charges	329.42		405.81
For Dividend (Gross)	<u>-</u>	32,169.98	<u>19,823.27</u>

### 45 EARNINGS PER SHARE (EPS)

Particulars

Year ended  
31st March, 2018

Year ended  
31st March, 2017

<b>Basic/Diluted EPS:</b>		
(i) Net Profit attributable to Equity Shareholders	6,483.11	(1,019.75)
(ii) Weighted Average number of Equity shares outstanding (No.s) [For Basic & Diluted EPS]	8,532.50	8,532.50
<b>Basic-Diluted EPS (₹)</b>		
(Face Value Rs.10 per share)	0.76	(0.12)

(₹ in "000", unless otherwise stated)

#### 46 SEGMENT REPORTING

The Company's segment information as at and for the year ended 31st March 2017 and 31st March 2018 are as follows:

(₹ in "000", unless otherwise stated)

	FILAMENT DIVISION		DIGITAL DIVISION		UNALLOCATED		TOTAL	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>REVENUE:</b>								
Domestic	17,077.23	15,323.41	366,320.40	300,012.23	-	-	383,397.63	315,335.64
Export	32,246.37	34,288.14	-	-	-	-	32,246.37	34,288.14
<b>TOTAL REVENUE</b>	<b>49,323.60</b>	<b>49,611.55</b>	<b>366,320.40</b>	<b>300,012.23</b>	<b>-</b>	<b>-</b>	<b>415,644.00</b>	<b>349,623.78</b>
<b>RESULTS:</b>								
Segment Results	(23,704.01)	(24,331.31)	45,764.71	39,306.25	(3,533.33)	1,692.58	18,527.37	16,667.52
Depreciation	388.32	448.96	558.55	382.85	-	-	946.87	831.81
Interest (net)	1,197.84	2,430.09	11,301.20	11,408.31	4,579.68	4,144.95	17,078.72	17,983.35
<b>Operating Profit</b>	<b>(25,290.18)</b>	<b>(27,210.36)</b>	<b>33,904.96</b>	<b>27,515.09</b>	<b>(8,113.00)</b>	<b>(2,452.37)</b>	<b>501.78</b>	<b>(2,147.64)</b>
Other Income /(Expenses)	1,367.98	656.23	387.26	986.63	1,543.50	1,029.00	3,298.74	2,671.86
<b>Profit/(loss) before exceptional items and tax</b>	<b>(23,922.20)</b>	<b>(26,554.13)</b>	<b>34,292.22</b>	<b>28,501.72</b>	<b>(6,569.50)</b>	<b>(1,423.37)</b>	<b>3,800.52</b>	<b>524.22</b>
Exceptional items	-	-	-	-	14,926.02	-	14,926.02	-
Income under IDS	-	-	-	-	-	-	-	-
<b>Profit before tax</b>	<b>(23,922.20)</b>	<b>(26,554.13)</b>	<b>34,292.22</b>	<b>28,501.72</b>	<b>8,356.52</b>	<b>(1,423.37)</b>	<b>18,726.54</b>	<b>524.22</b>
Provision for Taxation	-	-	-	-	-	-	-	-
Current Tax	-	-	-	-	1,492.08	-	1,492.08	-
Deferred Tax	-	-	-	-	10,751.36	1,543.97	10,751.36	1,543.97
Earlier years	-	-	-	-	-	-	-	-
Tax on IDS Income	-	-	-	-	-	-	-	-
<b>Profit After Tax</b>	<b>(23,922.20)</b>	<b>(26,554.13)</b>	<b>34,292.22</b>	<b>28,501.72</b>	<b>(3,886.92)</b>	<b>(2,967.34)</b>	<b>6,483.10</b>	<b>(1,019.75)</b>
<b>OTHER INFORMATION:</b>								
Segment Assets	43,276.01	27,954.00	376,440.47	298,504.00	28,132.42	108,720.58	447,848.90	435,178.58
Segment Liabilities	59,276.43	86,392.00	311,839.05	284,054.00	45,912.76	43,003.79	417,028.24	413,449.79
Segment Capital Expenditure	123.10	71.03	1,189.04	156.05	-	-	1,312.14	227.08

#### Notes:

The accounting policies adopted for segment reporting are in line with the accounting policies adopted in financial statements. Revenue, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, assets and liabilities which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Expenses" and "Unallocable assets/liabilities" respectively.

## WEBFIL LIMITED

### 47 RELATED PARTY DISCLOSURES

47.1 Other related parties with whom transactions have taken place during the year and previous year are :

Nature	Name	Designation
Key Management Personnels	Shri Jayanta Ray	Chairman
	Shri Sujit Chakravorti	Director
	Shri Asoke Kumar Dutt	Director
	Shri Debasis Konar	Director
	Shri Soumen Das	Director
	Shri Ashis Chakraborty	Director
	Shri Debasis Jana	Director
	Shri R.C.Sen	Director
	Smt. Sujata Roy	Director
	Shri Anirban Gupta	General Manager (CEO)
	Shri Jayanta Kumar Datta	Deputy General Manager (Finance & Accounts) (CFO)
	Ms. Shinjinee Bhattacharyya	Company Secretary

47.2 Transactions during the year :

47.2.1 Key Management Personnel compensation (₹ in "000", unless otherwise stated)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Short-Term Employee Benefits (Remuneration, Perquisites & Others)	3,538.42	3,052.78
Sitting Fees to Directors	149.00	137.50
Total Compensation	3,687.42	3,190.28

On behalf of the Board

In terms of our Report of even date.  
For **Marodia Khanna & Associates**  
Chartered Accountants  
(Firm Registration No.317147E)

**R.C.Sen**  
Director

**Jayanta Ray**  
Chairman

**Ashok Barnwal**  
Partner

**Shinjinee Bhattacharyya**  
Company Secretary

**Sujit Chakravorti**  
Director

(Membership No.056375)

Dated : Kolkata, 13th June, 2018

**Jayanta Kumar Datta**  
Chief Financial Officer



**FORM FOR PROVIDING PAN, BANK AND CONTACT DETAILS OF SHAREHOLDER**

To,  
M/S.MCS SHARE TRANSFER AGENT LIMITED  
12/1/5 MANOHARPUKUR ROAD  
KOLKATA - 700 026  
UNIT : WEBFIL LIMITED

Dear Sirs,  
I/We give my/our consent to update the following details in the records of WEBFIL LIMITED:

Shareholder Details	Bank Account Details of First Holder	
Folio No.	Bank Name	
Name of Shareholder(s)	Branch Address	
First Holder		
Second Holder		
Third Holder	Account No.	
PAN (First Holder)	Account Type	Savings/Current*
Address (First Holder)	IFSC	
Email ID (First Holder)		
Mobile No. (First Holder)	MICR Code	

\*Strike out whichever is not applicable  
Date:

Signature(s) [Duly attested]  
First holder :

**Enclosed:** Photocopy of PAN card duly attested  
Original cancelled cheque leaf / Duly attested photocopy of Bank pass book showing  
the name of the account holder.