



# **WILLIAMSON MAGOR & CO. LIMITED**

ANNUAL REPORT  
AND  
ACCOUNTS  
2008 - 2009



ESTD. 1868





## CONTENTS

	Page
Board of Directors ...	1
Details of Williamson Magor Group, Subsidiary and Associate Companies ...	2
Financial Highlights ...	3
Report of the Directors ...	4
Corporate Governance ...	9
Report of the Auditors ...	20
Balance Sheet ...	24
Profit & Loss Account ...	25
Cash Flow Statement ...	26
Schedules ...	28
Notes forming part of the Accounts ...	37
Statement relating to the Subsidiaries ...	46
Schedule under Reserve Bank of India Directions ...	47
Accounts of Subsidiary Companies	
Woodside Parks Limited ...	51
Majerhat Estates & Developers Limited ...	62
Consolidated Accounts with Schedules ...	71





**DIRECTORS**

B. M. KHAITAN - *Chairman*  
DEEPAK KHAITAN - *Vice Chairman*  
A. KHAITAN  
T. R. SWAMINATHAN  
R. S. JHAWAR  
PADAM KUMAR KHAITAN  
DR. R. SRINIVASAN  
G. MOMEN  
BHARAT BAJORIA  
H. M. PAREKH

**SECRETARY**

H. U. SANGHAVI

**AUDITORS**

LOVELOCK & LEWES  
*Chartered Accountants*

**BANKERS**

HDFC BANK LTD.  
ICICI BANK LTD.  
STANDARD CHARTERED BANK  
UNITED BANK OF INDIA

**SHARE TRANSFER AGENTS**

MAHESHWARI DATAMATICS PVT. LTD.  
6, MANGOE LANE, 2ND FLOOR  
KOLKATA - 700 001  
TEL : 033-2243-5809; 033-2243-5029; 033-2248-2248  
FAX : 033-2248-4787  
E-mail : mdpl@cal.vsnl.net.in

**REGISTERED OFFICE**

FOUR MANGOE LANE  
SURENDRA MOHAN GHOSH SARANI  
KOLKATA - 700 001  
TEL : 033-2243-5391, 033-2248-9434,  
033-2248-9435, 033-2210-1221  
FAX : 033-2248-8114, 033-2248-3683  
E-mail : administrator@wmg.co.in





## WILLIAMSON MAGOR GROUP

### WILLIAMSON MAGOR & CO. LTD. PRINCIPAL ACTIVITIES -

NON-BANKING FINANCE & PROPERTY OWNERS

### SUBSIDIARIES

WOODSIDE PARKS LIMITED  
MAJERHAT ESTATES & DEVELOPERS LIMITED

### OTHER GROUP COMPANIES

EVEREADY INDUSTRIES INDIA LIMITED  
McLEOD RUSSEL INDIA LIMITED  
D1 WILLIAMSON MAGOR BIO FUEL LIMITED

### ENGINEERING :

KILBURN ENGINEERING LIMITED  
MCNALLY BHARAT ENGINEERING CO. LIMITED

### OTHERS :

BABCOCK BORSIG LIMITED  
METALS CENTRE LIMITED  
BORELLI TEA HOLDINGS LIMITED (U.K.)  
PHU BEN TEA COMPANY LIMITED (VIETNAM)

McLEOD RUSSEL

### Particulars of Tea Estates

LOCATIONS	TEA ESTATES
<b>ASSAM:</b>	
BISHNAUTH	DEKORAI, MIJICAJAN, MONABARIE, PERTABGHUR
DHUNSERI	BEHORA, BUKHIAL
DOOM DOOMA	BAGHJAN, BORDUBI, KOOMSONG, PHILLOBARI, BEESAKOPIE/DAIMUKHIA, SAMDANG MESSAIJAN/PANIKHOWA, RAIDANG/HANSARA
EAST BOROI	BARGANG, BEHALI, BOROI, DUFFLAGHUR, HALEM, NYA GOGRA
JORHAT	HUNWAL
MANGALDAI	ATTAREEKHAT, BHOOTIACHANG, BORENGAJULI, CORRAMORE, DIMAKUSI, PANEERY
MARGHERITA	BOGAPANI, DEHING, DIROK, MARGHERITA, NAMDANG
MORAN	ATTABARRIE, DIRAI, LEPETKATTA, MORAN, RAJMAI, SEPON
THAKURBARI	ADDABARIE, HARCHURAH/NILPUR, PHULBARI, RUPAJULI, TARAJULIE, TEZPORE & GOGRA
TINGRI	DIRIAL, ITAKHOOLI, KEYHUNG, MAHAKALI
<b>WEST BENGAL:</b>	
DOOARS	BHATPARA, CENTRAL DOOARS, CHUAPARA, JAINTI/CHUNIAJHORA, MATHURA, JAIBIRPARA



### FIVE YEAR FINANCIAL SUMMARY

	2008-09	2007-08	2006-07	2005-06	2004-05
Total Income	2,081.80	2,210.53	4,410.22	5,545.54	9,334.04
Expenses	2,558.39	2,294.75	1,218.02	1,632.53	4,469.88
Profit/(Loss) Before Taxation	(476.59)	(84.22)	3,192.20	3,913.01	4,864.16
Taxation - Current	—	—	130.00	—	60.00
- Earlier years (net of write back)	123.18	(24.08)	—	—	—
- Deferred	—	—	—	(8.39)	(57.37)
- Fringe Benefit Tax (net of write back)	(4.11)	(8.44)	6.50	7.43	—
Profit/(Loss) after Taxation	(357.52)	(116.74)	3,055.70	3,913.97	4,861.53
Exceptional Items					
Balance	(357.52)	(116.74)	3,055.70	3,913.97	4,861.53
Transfer to Statutory Reserve	—	—	611.14	782.80	972.30
Retained Profits/(Loss)	(357.52)	(116.74)	2,444.56	3,131.17	3,889.23
Funds Employed	35,982.36	33,534.95	29,444.48	20,892.58	18,879.05
Employment of Funds					
Net Block of Fixed Assets	7,039.36	7,142.87	7,258.31	7,400.59	7,573.37
Investments	20,624.93	19,277.63	15,786.24	13,139.32	10,517.83
Net Current Assets	8,318.07	7,114.45	6,399.93	352.67	796.24
Miscellaneous Expenditure (to the extent not written off)	—	—	—	—	—
Deferred Tax Liability	—	—	—	—	(8.39)



## REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2009

The Directors have pleasure in presenting the Annual Report for the Audited Accounts of your Company for the year ended 31st March, 2009.

### FINANCIAL RESULTS

(Rs. in Thousands)

	2008-2009	2007-2008
Profit before Depreciation and Interest	15,93,24	11,65,21
Less : a) Depreciation	22,65	17,81
b) Interest	20,47,18	12,31,62
Profit/(Loss) before Taxation	(4,76,59)	(84,22)
Provision for Taxation :		
a) Current Tax	—	—
b) Earlier years (net off write back)	(1,23,18)	24,08
c) Fringe Benefit Tax (net off write back)	4,11	8,44
Profit/(Loss) after Taxation	(3,57,52)	(1,16,74)
Transfer to Statutory Reserve	—	—
	(3,57,52)	(1,16,74)
Loss brought forward from previous years	(21,35,42)	(20,18,68)
Balance carried forward to Balance Sheet	(24,92,94)	(21,35,42)

### OPERATIONS

During the year under review the total income of your Company was Rs.20.82 crore as against a total income of Rs.22.11 crore earned in the previous year.

The Company during the year under review recovered Establishment Expenses amounting to Rs.3.72 crore and earned interest income of Rs.12.18 crore. The loss after tax for the year amounted to Rs.3.58 crore.

### DIVIDEND

On account of the loss sustained by the Company your Directors regret their inability to recommend any dividend for the year under review.

### D1 WILLIAMSON MAGOR BIO FUEL LIMITED

D1 Williamson Magor Bio Fuel Ltd.(D1WM) of which your Company is a Joint Venture Partner has completed its third year of operation facilitating development of Jatropha Oil Seeds through contract farming operations for production inter alia of Bio Diesel. Bio Diesel is a clean fuel alternative to fossil fuel. It is generally blended with petroleum fuel in advanced countries to operate vehicles and many other diesel run engines.

There is acute shortage of Bio Fuel feedstock which is being developed by D1WM. The Company has promoted Jatropha plantation on over 1,32,000 hectares of land till 31<sup>st</sup> March, 2009. It expects to secure sizeable feedstock from the plantations presently under development.

The prices of the feedstock for Bio Fuel remained relatively firm even after decline in the price of petroleum fuel due to global recession which indicates its increasing demand even during the current period of recession.

DIWM expects to make a sub-commercial harvest of crop during the current year and commence commercial production in 2010-11.



## SUBSIDIARY COMPANIES

The Annual Report and Accounts of Woodside Parks Limited and Majerhat Estates & Developers Limited, Subsidiaries of the Company, as on 31st March 2009 are annexed to this Report in accordance with the provisions of Section 212 of the Companies Act, 1956

## COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

In terms of the above Rules, your Board is pleased to give particulars as required in an Annexure, which forms a part of the Directors' Report.

## DIRECTORS

Mr. Bharat Bajoria and Mr. H. M. Parekh were appointed as Additional Directors with effect from 18th December, 2008 and 30th March, 2009 respectively. In terms of Article 103 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956. Mr. Bajoria and Mr. Parekh hold office upto the date of the next Annual General Meeting of the Company. The Company has received notices in writing pursuant to Section 257(1) of the Companies Act, 1956 from two Members signifying their intentions to propose them respectively for election to the office of Directors at the ensuing Annual General Meeting. Mr. D. K. Pal ceased to be a Director of the Company with effect from 13th January, 2009 consequent to the withdrawal of his nomination by ICICI Bank Limited, Mumbai with effect from the said date.

The Directors wish to place on record their appreciation for the valuable services rendered by Mr. Pal during his tenure of office as a Director of the Company.

In accordance with Article 100 of the Articles of Association of the Company Messrs. B. M. Khaitan, D. Khaitan and T.R. Swaminathan will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

## MANAGER

The Board of Directors of the Company has reappointed Mr. D. Pal Choudhury as Manager as defined in Section 2(24) of the Companies Act, 1956 for a period of one year with effect from 1st April 2009 subject to the approval of the Members of the Company at its ensuing Annual General Meeting.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND REPORT ON CORPORATE GOVERNANCE

As required in terms of the Listing Agreement with Stock Exchanges a Management Discussion and Analysis Report and a Report on Corporate Governance are annexed forming part of this Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of the Companies Act, 1956 your Directors confirm as under :

- (i) that in the preparation of the Annual Accounts, applicable accounting standards have been followed;
- (ii) that the accounting policies are consistently followed and applied to give a true and fair view of the state of affairs of the Company ;
- (iii) that proper and sufficient care has been taken for the maintenance of accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company ;
- (iv) that the Annual Accounts have been prepared on a going concern basis.





## PARTICULARS OF EMPLOYEES

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, is not being furnished since there was no employee during the year who was in receipt of remuneration exceeding the prescribed limits.

## AUDITORS

Messrs. Lovelock & Lewes, Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting of the Company and are eligible for re-appointment.

Kolkata, 3rd June, 2009

For and on behalf of the Board

A. KHAITAN - *Director*

R. S. JHAWAR - *Director*

## ANNEXURE TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

The financial year 2008-2009 saw a great economic depression worldwide following the sub-prime mortgage crisis in the U.S. the impact of which was very much felt by the Indian economy as well. Consequently, the rate of inflation, interest rates and the stock market indices which had touched their peaks had started declining rapidly. The economy experienced acute shortage of liquidity resulting in drastic fall in demand of all goods and services. To combat the recession, the Governments of all the leading economies offered large stimulus packages for flow of liquidity into the system, revival of demand and ultimate recovery of industries.

The Government of India and Reserve Bank of India took similar steps which have started yielding results. The Companies engaged in the financial sector who had faced very rough weather are now experiencing a better comfort level in a market with more liquidity, low inflation and falling interest rates. The stock market has also started reviving significantly with the formation of the new stable Government at the centre.

### OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

With the large stimulus packages offered by the Government of India and various fiscal and monetary measures adopted by the Reserve Bank of India from time to time resulting in reducing inflation to a great extent and fall in interest rates. Adequate liquidity has been injected into the economy and the stock markets have also revived substantially.

The Company's principal business is investment and lending of funds. The present circumstances offer enough scope for the growth of the Company as the performance of its investee companies has also improved resulting in increased earnings for the Company for the current year.

The Company is a part of the Williamson Magor Group possessing good infrastructure and carries a good reputation in the Corporate World.

D1 Williamson Magor Bio Fuel Ltd., expects to make a sub - commercial harvest of crop during the current year and commence commercial production in the year 2010-11.







The Company being a Joint Venture Partner of the said Company, also expects to benefit from the said Venture in the years to come.

The Company holds large investments in its various associate and group companies and, therefore, its performance depends to a large extent on the performance of its investee companies.

### OUTLOOK

The revival of the economy and improved liquidity with lower interest rates and also the revival of the stock market offer good opportunities to the Companies engaged in the financial sector to improve their performance. In view of this, your Directors are optimistic about better performance of your Company in the current year.

### INTERNAL CONTROL SYSTEM

The Company maintains a system of Internal Control commensurate with its size. The Internal Auditors regularly review the operations. The Audit Committee reviews the adequacy of Internal Control System at regular intervals and provides guidance for improvement.

The Risk Management Committee formed by the Company pursuant to the Listing Agreement also has a policy by which it periodically reviews the various risks to which the Company is exposed to and ensures proper record maintenance and proper legal compliances for exercising effective Internal Control.

Moreover, the KYC Norms (i.e. Know Your Customers Norms) and the Fair Practices Code as per the RBI directives act as integral parts of the overall Internal Control System.

### HUMAN RESOURCES

There is no material development on the Human Resources front. The Company maintains harmonious relationship with its employees.

### CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market information contained in this Report has been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

Kolkata, 3rd June, 2009

For and on behalf of the Board  
A. KHAITAN – *Director*  
R. S. JHAWAR – *Director*





## ANNEXURE TO DIRECTORS' REPORT

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

Pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies  
(Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

## FORM A

## CONSERVATION OF ENERGY

A) Power & Fuel Consumption	Nil
B) Consumption per unit of production	Nil

## RESEARCH AND DEVELOPMENT

Nil

## TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Nil

## FOREIGN EXCHANGE EARNINGS &amp; OUTGO

## Total Foreign Exchange :

Earned	Nil
Outgo	Rs.6.86 lakh

For and on behalf of the Board

A. KHAITAN - *Director*R. S. JHAWAR - *Director*

Kolkata, 3rd June, 2009





## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY

The Company's philosophy on Corporate Governance is aimed at efficient conduct of its business and in meeting its obligations towards various Stakeholders. The Company gives due emphasis on transparency, professionalism and accountability. Your Company also gives due importance to its social obligations and compliance of various regulatory provisions. The Company has implemented the mandatory requirements regarding Corporate Governance as mentioned in Clause 49 of the Listing Agreement.

### 2. BOARD OF DIRECTORS

#### (i) Composition

The Board of Directors of your Company consists of ten Directors. Mr. B.M. Khaitan, a Non-Executive Director is the Chairman of the Board. All other Directors are non-executive and not less than one third of the Board comprises Independent Directors. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956, except Mr. D. Khaitan and Mr. A. Khaitan who are brothers and are also sons of Mr. B. M. Khaitan.

#### (ii) Board Meetings and Annual General Meeting

During the year ended 31st March 2009, 5 Board Meetings were held on 28.05.2008, 30.06.2008, 29.07.2008, 30.10.2008 and 29.01.2009 and the Annual General Meeting was held on 25.08.2008.

(iii) Particulars of Directors as on 31st March, 2009 and other Directorships and position held in Board Committees of the Companies :

Name of Directors	Category	No. of Board Meetings		Whether attended last AGM held on 25.08.2008	No. of Directorships in other public limited companies*	No. of Committee positions held in other public limited companies**	
		Held during tenure	Attended			As Chairman	As Member (#)
MR. B. M. KHAITAN	NON-EXECUTIVE CHAIRMAN	5	4	NO	6	—	1
MR. D. KHAITAN	NON-EXECUTIVE VICE-CHAIRMAN	5	5	NO	7	—	1
MR. A. KHAITAN	NON-EXECUTIVE	5	5	YES	7	1	2
MR. T.R. SWAMINATHAN	NON-EXECUTIVE & INDEPENDENT	5	4	YES	3	3	4
MR. R.S. JHAWAR	NON-EXECUTIVE	5	4	YES	6	1	2
MR. PADAM KUMAR KHAITAN	NON-EXECUTIVE	5	4	NO	12	2	2
DR. R.SRINIVASAN	NON-EXECUTIVE & INDEPENDENT	5	5	YES	8	4	9
MR. G. MOMEN	NON-EXECUTIVE & INDEPENDENT	5	4	YES	8	1	7
MR. B. BAJORIA <sup>^</sup>	NON-EXECUTIVE & INDEPENDENT	5	1	NO	9	2	4
MR. H.M. PAREKH <sup>^^</sup>	NON-EXECUTIVE & INDEPENDENT	5	—	NO	8	1	4
~MR. D.K.PAL	NON-EXECUTIVE & INDEPENDENT (NOMINEE OF ICICI BANK LTD)	5	5	YES	—	—	—

(#) Including Chairmanship.

<sup>^</sup> Appointed as an Additional Director w.e.f. 18.12.2008

<sup>^^</sup> Appointed as an Additional Director w.e.f. 30.03.2009

~ Ceased to be a Nominee director w.e.f. 13.03.2009



- (\*) The Directorships do not include Alternate Directorships, Directorships of Foreign Companies, Companies under Section 25 of the Companies Act and Private Limited Companies.
- (\*\*) Membership/Chairmanship in Committees includes only Membership/Chairmanship of Audit Committee and Shareholders'/Investors' Grievance Committee.
- (iv) The Board of Directors plays an important role in ensuring good governance and has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company.  
The Code has been posted on the website of the Company. All Members of the Board and Personnel in the Senior Management have confirmed compliance of the Code of Conduct.

### 3. AUDIT COMMITTEE

#### i) Composition

The Audit Committee of the Board was reconstituted by the Board of Directors of the Company at its meeting held on 29<sup>th</sup> March 2005 and it comprised Messrs. T.R. Swaminathan, Dr. R. Srinivasan, Mr. Padam Kumar Khaitan and Mr. D.K. Pal. Mr. T.R. Swaminathan a Non-Executive Independent Director, having adequate financial and accounting qualification and background, is the Chairman of the Audit Committee. Mr. H. U. Sanghavi, Company Secretary, acts as the Secretary of the Audit Committee. The Statutory Auditors are invitees to the Meetings of the Audit Committee.

#### ii) Attendance

Five Meetings of the Audit Committee were held during the financial year ended 31st March 2009 and the attendance of the Members are as follows:

Name of Member of the Audit Committee	Whether attended the Meetings held on				
	28.05.2008	30.06.2008	29.07.2008	30.10.2008	29.01.2009
MR. T. R. SWAMINATHAN	NO	YES	YES	YES	YES
MR. PADAM KUMAR KHAITAN	YES	YES	YES	YES	NO
DR. R. SRINIVASAN	YES	YES	YES	YES	YES
MR. D. K. PAL	YES	YES	YES	YES	YES

Mr. D. K. Pal ceased to be a member of the Audit Committee w.e.f. 13th March 2009. Mr. H. M. Parekh was inducted as a Member of the Audit Committee on 28th April 2009.

The role and terms of reference of the Audit Committee covers the matters specified for Audit Committee under Clause 49 of the Listing Agreement and the provision of Section 292A of the Companies Act, 1956.

#### iii) The terms of reference of the Audit Committee are as follows :

- (a) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- (b) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on :
- 1 Matters required to be included in the Directors' Responsibility Statement, as required for the report of the Board of Directors.
  - 1 Any changes in accounting policies and practices.
  - 1 Major accounting entries based on exercise of judgment by management.
  - 1 Qualifications in draft audit report.
  - 1 Significant adjustments arising out of audit.
  - 1 The going concern assumption.
  - 1 Compliance with accounting standards.
  - 1 Compliance with stock exchange and legal requirements concerning financial statements.
  - 1 Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.





- (c) Reviewing, with the management, the quarterly financial statements before submission to the Board.
- (d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- (e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (f) Discussion with internal auditors any significant findings and follow up thereon.
- (g) Reviewing the findings of any internal investigations by the internal auditors into matters when there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (h) Discussion with external auditors before the audit commences on nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- (i) Reviewing the Company's financial and risk management policies.
- (j) To look into the reasons for substantial default in the payment to the depositors, debenture holders, shareholders, (in case of non-payment of declared dividends) and Creditors.
- (k) Reviewing the management discussion and analysis of financial condition and results of operations.
- (l) Reviewing the management letter/letters of internal control weakness, if any.
- (m) Reviewing the internal audit reports relating to the internal control weakness, if any.
- (n) Recommending appointment, removal and terms of remuneration of Internal Auditor.

iv) Subsidiary

The Company does not have any material non-listed Subsidiary. The Minutes of the Board Meetings, the financial statements as well as the significant transactions of the unlisted Subsidiary Companies are placed once in a year before the Board for review.

#### 4. REMUNERATION COMMITTEE

The Remuneration Committee of the Board was reconstituted by the Board of Directors of the Company at its meeting held on 29th March 2005 and it comprised Dr. R. Srinivasan, Mr. T.R. Swaminathan, Mr. Padam Kumar Khaitan and Mr. D.K. Pal. Dr. R. Srinivasan is the Chairman of the Remuneration Committee. The Remuneration Committee approves the remuneration payable to the Managerial Personnel appointed pursuant to Section 269 of the Companies Act, 1956. One Meeting of the Remuneration Committee was held on 01.04.2008 during the financial year ended 31st March, 2009. Mr. D. K. Pal ceased to be a member of the Remuneration Committee w.e.f. 13th March 2009. Mr. Bharat Bajoria was inducted as a Member of the Remuneration Committee on 31st March 2009.

#### 5. REMUNERATION OF NON-EXECUTIVE DIRECTORS

Remuneration by way of Sitting Fees for attending Board Meetings and Committee Meetings are paid to the Non-Executive Directors at the rate of Rs.10,000/- per Meeting of the Board and Committees thereof. Apart from sitting fees, no other compensation is paid to the Non-Executive Directors. The details of sitting fees paid during 2008-2009 to the Non-Executive Directors of the Company are as under :

Name of Director	Sitting Fees Paid (Rs.)		No. of Shares held as on 31.3.2009
	Board Meeting	Committee Meeting	
MR. B. M. KHAITAN	40,000	—	12,840
MR. D. KHAITAN	50,000	—	—
MR. A. KHAITAN	50,000	—	—
MR. T. R. SWAMINATHAN	40,000	70,000	2,340
MR. R. S. JHAWAR	40,000	—	—
MR. PADAM KUMAR KHAITAN*	40,000	70,000	—
DR. R. SRINIVASAN	50,000	60,000	—
MR. G. MOMEN	40,000	20,000	—
MR. B. BAJORIA	10,000	—	—
MR. H. M. PAREKH	—	—	—
MR. D. K. PAL**	50,000	50,000	—
TOTAL	4,10,000	2,70,000	

\* Paid to Messrs. Khaitan & Co. of which Mr. Padam Kumar Khaitan is a Partner.

\*\* Paid to ICICI Bank Limited of which Mr. D.K. Pal is a nominee on the Board.





## 6. SHAREHOLDERS' GRIEVANCE COMMITTEE

The Shareholders' Grievance Committee is headed by Mr. T.R. Swaminathan, a Non-Executive and Independent Director. The other members of the Committee are Mr. Padam Kumar Khaitan and Mr. G. Momen. Mr. H. U. Sanghavi, Company Secretary, is the Compliance Officer of the Company.

During the financial year 2008-2009, 1 complaint was received from the shareholders and investors. The complaint had been solved to the satisfaction of the complainant. The Company has acted upon all valid requests for share transfers received during 2008-2009 and no such transfer is pending. All requests for dematerialization and rematerialisation of shares during the aforesaid period were confirmed/rejected into the NSDL/CDSL system.

Two Meetings of the Shareholders' Grievance Committee were held during the financial year ended 31st March 2009 and the attendance of the Members are as follows :

Name of Member of the Shareholders' Grievance Committee	Whether attended the Meetings held on	
	30.10.2008	31.03.2009
MR. T.R. SWAMINATHAN	YES	YES
MR. PADAM KUMAR KHAITAN	YES	YES
MR. G. MOMEN	YES	YES

## 7. GENERAL BODY MEETINGS

a) Location and time of last three Annual General Meetings were held as under :

Financial Year	Date	Time	Venue
31.03.2008	25.08.2008	10.30 A.M.	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry. 6 N. S. Road, Kolkata - 700 001
31.03.2007	31.07.2007	10.30 A.M.	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry. 6 N. S. Road, Kolkata - 700 001
31.03.2006	19.09.2006	3.00 P.M.	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry. 6 N. S. Road, Kolkata - 700 001

No Special Resolution were passed in the last three Annual General Meetings.

No resolution was required to be put through postal ballot in the last three years.

b) An Ordinary Resolution passed through Postal Ballot

One Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 was passed by Postal Ballot during the financial year ended 31st March 2009 as per the procedures prescribed in the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001. The Result of Postal Ballot was as under:

Particulars of Resolution	Resolution passed on	Applicable Section 293(1)(a) of the Companies Act, 1956	No. and % of Votes in favour	No. and % of Votes against
Authority to the Board of Directors of the Company for mortgaging and/or charging the immovable properties of the Company in favour of ICICI Home Finance Company Limited as per Notice dated 30th June 2008.	25.08.2008		67,83,956 99.9995%	34 00.0005%





- c) Person who conducted the Postal Ballot exercise  
Mr. Atul Kumar Labh, a Practising Company Secretary, appointed as the Scrutinizer conducted the Postal Ballot voting process.
- d) Procedure for Postal Ballot  
The procedures as prescribed in the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 were followed for passing the Ordinary Resolution by Postal Ballot during the financial year ended 31<sup>st</sup> March 2009.

## 8. DISCLOSURES

- i) There have been no materially significant related party transactions between the Company and its key management personnel or their relatives, subsidiaries and associates except for those disclosed in Note No.12 of Schedule XV to the Accounts in the Annual Report.
- ii) There has not been any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the last 3 years.
- iii) Presently, the Company does not have a whistle blower policy.
- iv) All the mandatory requirements have been appropriately complied with and the non-mandatory requirements have been dealt with at the end of this report.

## 9. MEANS OF COMMUNICATION

- i) The Half-yearly results are published in the newspapers in terms of Clause 41 of the Listing Agreement and not sent to the Shareholders.
- ii) The Quarterly results, Half-yearly results and Annual Audited results are published in the Financial Express and Aajkal (Vernacular).
- iii) The Company displays the financial results and certain other information on its web site : [www.wmtea.com](http://www.wmtea.com)
- iv) The Company is complying with EDIFAR requirements as directed by SEBI. The Shareholders can view the various information/statements uploaded by the Company by logging on to the web site : [www.sebiedifar.nic.in](http://www.sebiedifar.nic.in)
- v) Management Discussion and Analysis Report has been annexed to and forms part of the Report of the Directors to the Shareholders.

## 10. SHAREHOLDERS' GENERAL INFORMATION

- i) Annual General Meeting 2008-2009  
Date and Time : 28th August 2009 at 11.00 a.m.  
Venue : Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 'Royal Exchange', 6, Netaji Subhas Road, Kolkata - 700 001
- ii) Financial Year : 1st April to 31st March.
- iii) Financial Calendar :
- |   |                                      |
|---|--------------------------------------|
| Annual Results of previous year (audited)               | : Early June 2009                    |
| First Quarter Results (30th June)                       | : End July 2009                      |
| Annual General Meeting                                  | : Last week of August/September 2009 |
| Second Quarter Results (30th September)                 | : End October 2009                   |
| Third Quarter Results (31st December)                   | : End January 2010                   |
| Financial Reporting for the year ending 31st March 2010 | : End June 2010                      |





## iv) Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from 20th August, 2009 to 28th August 2009 (both days inclusive).

## v) Dividend

The Board of Directors of the Company has not recommended any dividend for the year ended 31st March, 2009.

## vi) Listing on Stock Exchange and Stock Code

The Company's shares are listed on the following Stock Exchanges and the Annual Listing Fee for the year 2009-2010 has been paid to each of them :

Name of the Stock Exchange	Stock Code No.
Bombay Stock Exchange Limited	519224
National Stock Exchange of India Limited	WILLAMAGOR EQ
The Gauhati Stock Exchange Limited	L/558
The Calcutta Stock Exchange Association Limited	33013

## vii) Stock Price Data :

Month	BOMBAY STOCK EXCHANGE LTD.				NATIONAL STOCK EXCHANGE	
	High Rs.	Low Rs.	Share Price (closing) Rs.	Sensex (closing)	High Rs.	Low Rs.
April 2008	54.70	39.05	51.60	17287.31	54.60	39.30
May 2008	66.80	50.05	51.25	16415.57	67.40	50.05
June 2008	53.55	34.00	34.55	13461.60	53.40	34.15
July 2008	40.30	28.00	37.45	14355.75	40.00	28.25
August 2008	45.50	37.15	40.90	14564.53	40.65	37.40
September 2008	41.75	31.05	33.50	12860.43	44.50	31.10
October 2008	38.25	19.90	20.95	9788.06	37.55	19.10
November 2008	20.85	13.00	13.85	9092.72	21.00	13.80
December 2008	18.00	12.77	17.80	9647.31	18.40	13.15
January 2009	19.45	14.00	15.65	9424.24	19.30	14.25
February 2009	16.60	14.60	15.60	8891.61	16.80	14.60
March 2009	20.00	14.90	17.70	9708.50	19.30	14.80

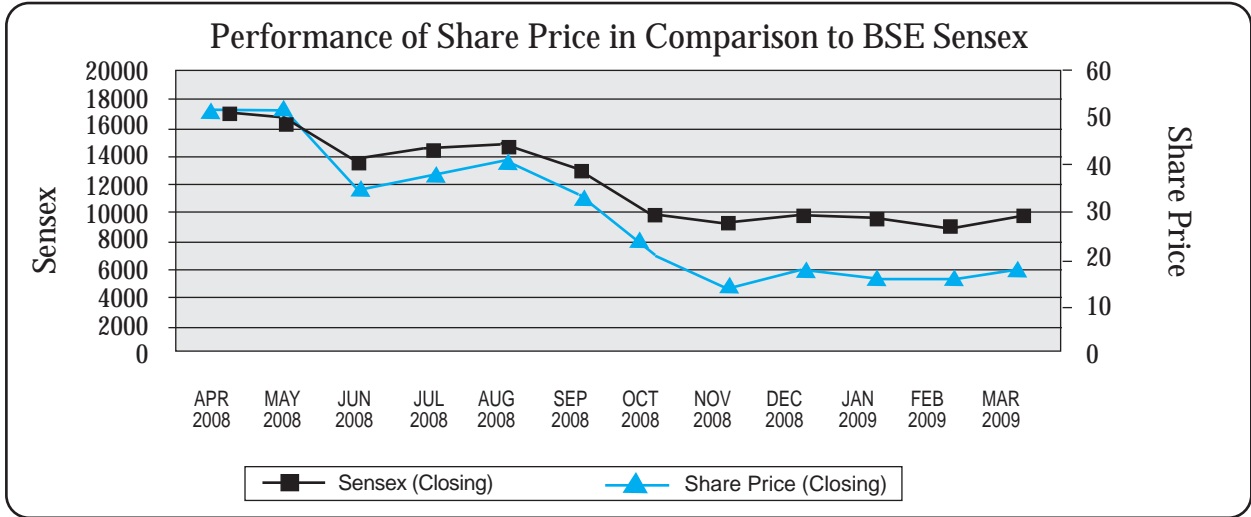






viii) Performance in comparison to BSE Sensex :

Share Price Performance (April 2008 to March 2009)  
Share Price (Closing)      Sensex (Closing)



ix) Share Transfer System

The requests for transfer of shares held in physical mode should be lodged at the office of the Company’s Registrar & Share Transfer Agents, Maheshwari Datamatics Private Limited (Registered by SEBI), 6 Mangoe Lane, 2<sup>nd</sup> Floor, Surendra Mohan Ghosh Sarani, Kolkata 700001 or at the registered office of the Company. The Board of Directors has unanimously delegated the powers of share transfer, transmission, sub-division and consolidation to a Share Transfer Committee comprising Messrs. B.M. Khaitan, D. Khaitan, T.R. Swaminathan and R.S. Jhavar in order to expedite transfer, transmission etc. in the physical form. The Committee generally meets once in every fortnight for approving Share Transfers and for other related activities. Share Transfers are registered and returned in the normal course within an average period of 20 days, if the transfer documents are found technically in order and complete in all respects.

x(a) Categories of Shareholders as on 31st March, 2009






## x(b) Distribution of Shareholding as on 31st March, 2009

Size of holding	No. of holders	Percentage	No. of Shares	Percentage
1 to 500	6326	87.24	635933	5.80
501 to 1000	427	5.89	343682	3.14
1001 to 2000	250	3.45	363749	3.32
2001 to 3000	81	1.12	205672	1.88
3001 to 4000	43	0.59	153437	1.40
4001 to 5000	34	0.47	162750	1.49
5001 to 10000	47	0.65	328695	3.00
10001 and above	43	0.59	8762442	79.97
Total	7251	100.00	10956360	100.00

As on 31st March, 2009, 95.27% of the Company's total shares representing 10438271 Shares were held in the dematerialized form and the balance 4.73% representing 518089 Shares were in the physical form.

## xi) Dematerialisation of shares and liquidity

The shares of the Company are compulsorily traded in dematerialised form under depository systems of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). Requests for dematerialization of shares are processed and confirmation is given to the respective Depositories Code No. allotted by NSDL & CDSL. The ISIN for the Company's Shares in Demat Form is INE 210A01017.

## xii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments :

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

## xiii) Plant Location :

The Company is not engaged in any manufacturing activity.

## xiv) Insider Trading Regulation

The code of Internal Procedure & Conduct as suggested under the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended by the Notification of 20th February, 2002 are in force since 26th July, 2002.

## xv) CEO / CFO Certification

The Company is duly placing a certificate to the Board from the CEO/CFO in accordance with the provisions of Clause 49(v) of the Listing Agreement. The aforesaid certificate duly signed by the CEO/CFO in respect of the financial year ended 31st March, 2009 has been placed before the Board at the Meeting held on 3rd June, 2009.

## xvi) Auditors' Certificate on Corporate Governance

As required under clause 49 of the Listing Agreement, the Auditors' Certificate on compliance of the corporate governance norms is attached.





xvii) Address for Correspondence :

Any assistance regarding share transfers and transmission, change of address, non-receipt of share certificate/duplicate share certificate, demat and other matters and for redressal of all share-related complaints and grievances, the Members are requested to please write to or contact the Registrar & Share Transfer Agents or the Share Department of the Company for all their queries or any other matters relating to their shareholdings in the Company at the addresses given below :

i) The Company's Registered Office is situated at :

'Four Mangoe Lane', Surendra Mohan Ghosh Sarani, Kolkata-700 001.

TEL : 033-2243-5391, 033-2248-9434, 033-2248-9435

FAX : 91-33-2248-8114, 91-33-2248-3683

E-mail : administrator@wmg.co.in

ii) Appointment of Common Agency for Share Registry Work :

In accordance with the SEBI directive vide Circular No.D&CC/FITTC/CIR-15/2002 dated 27th December, 2002 and D&CC/FITTC/CIR-18/2003 dated 12th February 2003, Messrs. Maheshwari Datamatics Private Limited, a SEBI registered Registrar & Share Transfer Agent is handling all the work related to Share Registry of the Company for both physical and electronic mode at their Registered Office at :-

MAHESHWARI DATAMATICS PVT. LTD.

6, Mangoe Lane, 2nd floor, Surendra Mohan Ghosh Sarani, Kolkata - 700 001

Tel : 033-2243-5809, 2243-5029, 2248-2248

Fax : (033) 2248-4787

In case of any difficulty, the Compliance Officer at the Registered Office of the Company may be contacted.

Special E-mail ID : investors\_relation@wmg.co.in

Compliance of Non-Mandatory Requirements :

i) Chairman of the Board :

During the year under review, no expenses were incurred in connection with the office of the Chairman.

ii) Remuneration Committee :

The Company has Remuneration Committee comprising Dr. R. Srinivasan, Mr. T. R. Swaminathan, Mr. Padam Kumar Khaitan and Mr. Bharat Bajoria as stated in item no. 4 above.

iii) Shareholder Rights :

Half-yearly results including summary of the significant events are presently not being sent to the Shareholders of the Company.

iv) Audit Qualification :

The Company endeavours to present unqualified financial statements. There are no audit qualifications in the financial statements of the Company for the year under reference.

v) Training of Board Members :

There was no Directors' Training Programme during the year under review.





vi) Mechanism for evaluating Non-Executive Board Members :

There is no mechanism for evaluating Non-Executive Board Members at present. All the Non-Executive Board Members are having requisite qualification and expertise in their respective functional areas.

vii) Whistle Blower Policy :

There is no Whistle Blower Policy at present as stated in item No. 8(iii) above

Kolkata, 3rd June, 2009

For and on behalf of the Board

A. KHAITAN - *Director*

R. S. JHAWAR - *Director*

### CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

The Company has duly adopted a Code of Conduct at the meeting of the Board of Directors held on 31st October, 2005. After adoption of the Code of Conduct, the same was circulated to all the Board Members and Senior Management Personnel for Compliance. The Code of Conduct has been posted on the website of the Company. The Company has since received declarations from all the Board Members and Senior Management Personnel affirming compliance of the Code of Conduct of the Company in respect of the financial year ended 31st March, 2009.

Kolkata, 3rd June, 2009

R. S. JHAWAR  
*Director*





## AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Williamson Magor & Co. Limited

We have examined the compliance of conditions of Corporate Governance by Williamson Magor & Co. Limited, for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and 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 above mentioned Listing Agreements.

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

Kolkata, 3rd June, 2009

PARTHA MITRA  
*Partner*  
Membership Number 50553  
For and on behalf of  
LOVELOCK & LEWES  
*Chartered Accountants*





## AUDITORS' REPORT TO THE MEMBERS OF WILLIAMSON MAGOR & CO. LIMITED

1. We have audited the attached Balance Sheet of Williamson Magor & Co. Limited as at 31st March, 2009 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure I a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. On the basis of such checks of the books and records of the Company as we considered appropriate and information and explanations given to us in the course of our audit we give in the attached Annexure II a statement on specified matters as required under Non Banking Financial Companies' Auditor's Report (Reserve Bank) Directions, 2008.
5. Further to our comments in the Annexures referred to in paragraphs 3 & 4 above, 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 purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-Section (3C) of Section 211 of the Act;
  - (e) On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial





statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
- (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

PARTHA MITRA  
*Partner*  
Membership Number 50553  
For and on behalf of  
LOVELOCK & LEWES  
*Chartered Accountants*

Kolkata, 3rd June, 2009

### Annexure I to the Auditors' Report

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Williamson Magor & Co. Limited on the financial statements for the year ended 31st March, 2009]

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The fixed assets are physically verified by the management at intervals, which in our opinion are reasonable having regard to the size of the company and the nature of its assets and no material discrepancies between the book records and the physical inventory have been noticed.  
(c) In our opinion and according to the information and explanations given to us there has been no disposal of fixed assets by the company during the year.
2. (a) The company has granted unsecured loans to a company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregates to Rs. 1,00,70 lakhs and Rs. 65,01 lakhs respectively.  
(b) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company.  
(c) In respect of the aforesaid loans the party is repaying the principal amounts as stipulated and is also regular in payment of interest, where applicable. The payment terms are in accordance with the demand/ call loan policy framed by the Company under Clause 6A of the NBFCs Prudential Norms (RBI Directions), 1998 issued by the Reserve Bank of India.  
(d) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.  
(e) The company has taken unsecured loans, from six companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loans aggregates to Rs. 46,65 lakhs and Rs. 25,65 lakhs respectively. Further, the Company has taken interest-free loans from a company covered under the Register maintained under Section 301 of the Act which has been routed through the current account with the said company. The maximum amount involved during the year is Rs. 16,21.84 lakhs and the year end balance of such current account amounts to Rs. 266.82 lakhs.  
(f) In our opinion, the rate of interest, wherever applicable and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company.  
(g) In respect of the aforesaid loans, the company is regular in repaying the principal amounts as stipulated and is regular in payment of interest, where applicable except for two companies where interest was outstanding at the balance sheet date. All overdue interest has subsequently been paid.
3. In our opinion and according to the information and explanations given to us, there is an adequate internal control system





commensurate with the size of the company and the nature of its business for the purchase of fixed assets and sale of services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

4. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, commenting on transactions made in pursuance of such contracts or arrangements does not arise.
5. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
6. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
7. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities and there are no undisputed dues outstanding in respect of the above items as at 31st March, 2009 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of excise duty as at 31st March, 2009 which has not been deposited on account of a dispute, are as follows: -

Name of the statute	Nature of dues	Amount (Rs. lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Interest on Excise Duty	7.11	1987-88	Hon'ble High Court of Chennai

8. The company has accumulated losses not exceeding 50 percent of its net worth as at 31st March, 2009. It has incurred cash losses in the financial year ended on that date but had not incurred cash losses in the immediately preceding financial year.
9. According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
10. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the company.
12. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
13. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee, for loans taken by others from banks or financial institutions during the year.
14. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
15. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
16. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
17. The company has not issued any debentures during the year and no debentures are outstanding at the year-end.
18. The company has not raised any money by public issues during the year.
19. During the course of our examination of the books and records of the company, carried out in accordance with the generally







accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

20. The other clauses, 2 and 8 of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable in the case of the company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

Kolkata, 3rd June, 2009

PARTHA MITRA  
Partner  
Membership Number 50553  
For and on behalf of  
LOVELOCK & LEWES  
Chartered Accountants

### Annexure II to Auditors' Report

[Referred to in paragraph 4 of the Auditors' Report of even date to the members of Williamson Magor & Co. Limited on the financial statements for the year ended 31st March, 2009]

1. The Company is engaged in the business of non-banking financial institution and has obtained a Certificate of Registration (COR) from the Reserve Bank of India.
2. The Company is entitled to continue to hold such certificate of Registration in terms of its asset/income pattern as on 31st March, 2009.
3. The Board of Directors has passed a resolution for non acceptance of any public deposits.
4. The Company has not accepted any public deposits during the year.
5. The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning of bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
6. The Capital Adequacy Ratio (CRAR) as disclosed in the return to be submitted to the Reserve Bank of India in form NBS-7 has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the bank.
7. The Company is yet to submit the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) to the Reserve Bank of India. However, the Company has informed us that it will be furnishing the abovementioned statement within the stipulated period of three months from the closing of the financial year i.e. by 30th June, 2009.

Kolkata, 3rd June, 2009

PARTHA MITRA  
Partner  
Membership Number 50553  
For and on behalf of  
LOVELOCK & LEWES  
Chartered Accountants





## BALANCE SHEET AS AT 31ST MARCH 2009

	Schedule No.	31st March, 2009		31st March, 2008	
		Rs. '000	Rs.'000	Rs. '000	Rs. '000
<b>I. SOURCES OF FUNDS</b>					
Shareholders' Funds					
Capital	I	10,95,64		10,95,64	
Reserves & Surplus	II	1,84,29,73	1,95,25,37	1,89,18,50	2,00,14,14
Loan Funds	III				
Secured Loans		1,00,71,84		1,18,70,13	
Unsecured Loans		63,85,15	1,64,56,99	16,50,68	1,35,20,81
Total			3,59,82,36		3,35,34,95
<b>II. APPLICATION OF FUNDS</b>					
Fixed Assets	IV				
Gross Block		90,53,51		90,03,13	
Less: Depreciation		20,14,15		18,60,26	
Net Block			70,39,36		71,42,87
Investments	V		2,06,24,93		1,92,77,63
Current Assets, Loans and Advances					
Sundry Debtors	VI	1,86,26		3,59,88	
Other Current Assets	VII	7,23,72		3,90,29	
Cash and Bank Balances	VIII	2,55,06		2,45,19	
Loans and Advances	IX	78,07,53		68,25,01	
		89,72,57		78,20,37	
Less: Current Liabilities and Provisions	X				
Liabilities		5,81,13		5,80,81	
Provisions		73,37		1,25,11	
		6,54,50		7,05,92	
Net Current Assets			83,18,07		71,14,45
Profit & Loss Account Debit Balance		24,92,94		21,35,42	
Less: General Reserve as per Contra		24,92,94	—	21,35,42	—
Total			3,59,82,36		3,35,34,95
Significant Accounting Policies	XV				
Notes on Accounts	XVI				

The Schedules referred to above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our Report of even date.

PARTHA MITRA

Partner

Membership No. 50553

For and on behalf of

LOVELOCK & LEWES

Chartered Accountants

Kolkata, 3rd June, 2009

A. KHAITAN - Director

R. S. JHAWAR - Director

H. U. SANGHAVI - Secretary



**PROFIT & LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST MARCH 2009**

	Schedule No.	31st March, 2009 Rs.'000	31st March, 2008 Rs. '000
<b>INCOME</b>			
Income from Operations	XI	20,22,31	20,87,61
Other Income	XII	59,49	1,22,92
		<u>20,81,80</u>	<u>22,10,53</u>
<b>EXPENDITURE</b>			
Expenses	XIII	4,88,56	10,45,32
Interest	XIV	20,47,18	12,31,62
Depreciation		22,65	17,81
		<u>25,58,39</u>	<u>22,94,75</u>
Profit / (Loss) before Taxation		(4,76,59)	(84,22)
Provision for Taxation :			
Current Tax			
- current year		—	—
- earlier years (net of write back)		1,23,18	(24,08)
Deferred Tax		—	—
Fringe Benefit Tax			
- current year		(4,37)	(8,44)
- earlier years (net of write back)		26	—
Profit / (Loss) after Taxation		<u>(3,57,52)</u>	<u>(1,16,74)</u>
Transfer to Statutory Reserve		—	—
		<u>(3,57,52)</u>	<u>(1,16,74)</u>
Balance brought forward from previous year		(21,35,42)	(20,18,68)
Un-appropriated balance carried forward		<u>(24,92,94)</u>	<u>(21,35,42)</u>
Basic and Diluted Earnings per share		(3.26)	(1.07)
Significant Accounting Policies	XV		
Notes on Accounts	XVI		

The Schedules referred to above form an integral part of the Profit & Loss Account.  
This is the Profit & Loss Account referred to in our Report of even date.

PARTHA MITRA

*Partner*

Membership No. 50553

For and on behalf of

LOVELOCK & LEWES

*Chartered Accountants*

Kolkata, 3rd June, 2009

A. KHAITAN - *Director*  
R. S. JHAWAR - *Director*  
H. U. SANGHAVI - *Secretary*



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	31st March, 2009 (Rs.'000)	31st March, 2008 (Rs.'000)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(loss) before tax and extraordinary items	(4,76,59)	(84,22)
Adjustment for :		
Depreciation	22,65	17,81
Profit on sale of investments	—	(1,89,06)
Dividend Income on investments	(1,40,86)	(1,84,63)
Interest charge	20,47,18	12,31,62
Provision for Doubtful debts	7,73	16,25
Provision for Doubtful advances	74	8,77
Provision for Diminution in Value of Investments	49,43	17,53
Provision for retirement benefit written back	(29,64)	—
Provision written back	(12,04)	(4,77,44)
Loss for Assets Scrapped	—	1,65
Liabilities written back	—	(6)
Provision for retirement benefit	17,85	8,11
Loss on non conversion of share warrants	—	4,52,68
Interest on Income Tax Refund	(27,61)	(1,22,57)
Operating profit before working capital changes	14,58,84	6,96,44
Adjustment for :		
Trade and other receivables	(26,29,15)	(20,93,69)
Trade payable	(89,81)	4,01,54
Provision for retirement benefits	(38,81)	(15,69)
Cash generated from operations	(12,98,93)	(10,11,40)
Interest received on refund of income tax	12,35	12,51
Direct tax refund (net)	1,89,85	35,18
Net cash from operating activities	(10,96,73)	(9,63,71)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(13,39)	(42,21)
Sale of fixed assets	—	4
Sale of investments	—	2,32,14
Dividend Income on investments	1,40,86	1,84,63
Purchase of Investments	—	(34,02,00)
Net cash from Investing activities	1,27,47	(30,27,40)



	31st March, 2009 (Rs.'000)	31st March, 2008 (Rs.'000)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	10,00,00	55,00,00
Repayment of long term borrowings	(17,97,12)	(11,32,20)
Proceeds from short term borrowings	66,10,00	20,00
Repayment of short term borrowings	(29,35,00)	(5,00)
Interest paid	(18,98,75)	(11,36,14)
Net Cash used in financing activities	9,79,13	32,46,66
Net increase/ (decrease) in cash and cash equivalents	9,87	(7,44,45)
Cash and cash equivalents (Opening Balance)	2,45,19	9,89,64
Cash and cash equivalents (Closing Balance)	2,55,06	2,45,19

Notes to the Cash Flow Statement for the year ended 31st March, 2009 :

1. Cash and Cash equivalents represent cash and bank balances only.
2. The above cashflow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
3. Previous year's figures have been rearranged and regrouped wherever necessary.

This is the Cash Flow Statement referred to in our Report of even date.

Kolkata, 3rd June, 2009

PARTHA MITRA  
*Partner*  
Membership No. 50553  
For and on behalf of  
LOVELOCK & LEWES  
*Chartered Accountants*

A. KHAITAN - *Director*  
R. S. JHAWAR - *Director*  
H. U. SANGHAVI - *Secretary*





	31st March, 2009 Rs.'000	<i>31st March, 2008</i> <i>Rs.'000</i>
<b>SCHEDULE I</b>		
<b>SHARE CAPITAL</b>		
Authorised –		
125,000 Preference Shares of Rs. 100/- each	1,25,00	<i>1,25,00</i>
23,750,000 Equity Shares of Rs.10/- each	23,75,00	<i>23,75,00</i>
	<u>25,00,00</u>	<u><i>25,00,00</i></u>
Issued and Subscribed –		
10,956,360 Equity Shares of Rs. 10/- each fully paid-up	10,95,64	<i>10,95,64</i>
Of these —		
a) 14,99,930 Shares were allotted as fully paid-up pursuant to a contract without payment being received in cash ;		
b) 12,39,090 Shares were allotted as fully paid-up pursuant to a Scheme of Amalgamation sanctioned by the Court without payment being received in cash ; and		
c) 82,17,270 Shares were allotted as fully paid-up by way of Bonus Shares by capitalisation of Preference Share Capital Redemption Reserve, Capital Reserve and General Reserve		
	<u>10,95,64</u>	<u><i>10,95,64</i></u>
	31st March, 2009 Rs. '000      Rs.'000	<i>31st March, 2008</i> <i>Rs.'000      Rs.'000</i>
<b>SCHEDULE II</b>		
<b>RESERVES &amp; SURPLUS</b>		
Capital Reserves		
Capital Reserve	65,18	<i>65,18</i>
Revaluation Reserve		
As per last Account	68,25,27	<i>69,63,42</i>
Less: Withdrawal on account of depreciation on amount added on revaluation	<u>1,31,24</u>	<u><i>1,38,15</i></u>
	66,94,03	<i>68,25,27</i>
	<u>67,59,21</u>	<u><i>68,90,45</i></u>



	31st March, 2009		31st March, 2008	
	Rs. '000	Rs.'000	Rs. '000	Rs. '000
<b>SCHEDULE II (Contd.)</b>				
Revenue Reserves				
General Reserve				
As per last Account	1,17,52,22		1,18,65,01	
Less : Net adjustments for Employee Benefits Liability in accordance with the transitional provisions of Accounting Standard (AS)-15 (Revised 2005) "Employee Benefits"	—		1,12,78	
Less : Profit & Loss Account as per Contra	24,92,94	92,59,28	21,35,42	96,16,81
Statutory Reserve				
As per last Account		23,66,24		23,66,24
Pension Reserve				
As per last Account		45,00		45,00
		<u>1,16,70,52</u>		<u>1,20,28,05</u>
		<u>1,84,29,73</u>		<u>1,89,18,50</u>
<b>SCHEDULE III</b>				
<b>LOAN FUNDS</b>				
Secured Loans				
Term Loans				
Other than Banks		1,00,71,84		1,18,68,96
Interest accrued and due		—		1,17
		<u>1,00,71,84</u>		<u>1,18,70,13</u>
Notes : The above includes :				
i) loans from HDFC secured by way of				
– mortgage of certain immovable properties of the Company				
– pledge of shares of Eveready Industries India Limited (Refer Note 2 of Schedule V)				
ii) loans from IL&FS Financial Services Limited secured by way of				
– corporate guarantee from McLeod Russel India Limited				
– pledge of shares of Eveready Industries India Limited and shares of McLeod Russel India Limited (Refer Note 2 of Schedule V).				
iii) loans from ICICI Home Finance Ltd secured by way of				
– mortgage of certain immovable properties by way of a parri passu charge pending no objection certificate from HDFC				
– pledge of shares of McLeod Russel India Ltd., McNally Bharat Engineering Co. Ltd. and Kilburn Engineering Ltd. (Refer Note 2 of Schedule V)				
Unsecured Loans				
Short Term Loans				
From Other than Banks	36,75,00		—	
Interest accrued and due	8,03	36,83,03	8,03	8,03
Other Loans				
From Other than Banks	25,65,00		15,65,00	
Interest accrued and due	1,37,12	27,02,12	77,65	16,42,65
		<u>63,85,15</u>		<u>16,50,68</u>
		<u>1,64,56,99</u>		<u>1,35,20,81</u>



## SCHEDULE IV FIXED ASSETS

	GROSS BLOCK AT COST OR VALUATION				DEPRECIATION			NET BLOCK	
	As at 31st March 2008 Rs. '000	Addition during the year Rs. '000	Disposal/ Adjustment during the year Rs. '000	As at 31st March 2009 Rs. '000	As at 31st March 2008 Rs. '000	Provision for the year Rs. '000	Deduction on account of disposal etc. Rs. '000	As at 31st March 2009 Rs. '000	As at 31st March 2008 Rs. '000
Land-Freehold	43,24,71	—	—	43,24,71	—	—	—	43,24,71	43,24,71
Buildings	44,70,84	—	—	44,70,84	17,20,93	1,37,50	—	18,58,43	27,49,91
Plant & Machinery	83,72	41,21	—	1,24,93	37,17	11,05	—	48,22	46,55
Motor Vehicles	20,68	—	—	20,68	10,92	2,53	—	13,45	9,76
Furniture & Fittings	66,00	2,41	—	68,41	59,43	2,02	—	61,45	6,57
Electric Installation	32,20	—	—	32,20	27,04	70	—	27,74	5,16
Water Supply	4,98	6,76	—	11,74	4,77	9	—	4,86	21
Total	90,03,13	50,38	—	90,53,51	18,60,26	1,53,89	—	20,14,15	71,42,87
Previous Year	89,97,83	42,21	36,91	90,03,13	17,39,52	1,55,96	35,22	18,60,26	71,42,87

Notes :

1. Land & Buildings and Plant & Machinery at certain Locations were revalued several times in the past. Land & Buildings at two locations were revalued as at 31st March, 2001 on current cost basis and as such the net assets was written up by Rs.84,68,47 thousand and disclosed under Revaluation Reserve.





## SCHEDULE V

## INVESTMENTS - LONG TERM

## Trade Investments

## Quoted

## Equity Shares - fully paid-up

	31st March, 2009		31st March, 2008	
	Nos.	Rs.'000	Nos.	Rs.'000
WPIL Limited	80	1	80	1
Mcnally Bharat Engineering Company Limited. (Refer Note 2 below)	1,887,247	16,96,88	919,247	3,00,15
\$ The Standard Batteries Limited (Re. 0.50 each)	577,250	1,60,05	577,250	1,60,05
Kilburn Engineering Limited (Refer Note 2 below)	4,319,043	10,69,56	4,319,043	10,69,56
\$ Eveready Industries India Limited (Rs. 5 each) (Refer Note 2 below)	16,756,841	93,59,01	16,756,841	93,59,01
\$ McLeod Russel India Limited (Rs. 5 each) (Refer Note 2 below)	11,771,645	67,87,55	11,771,645	67,87,55
Kilburn Chemicals Limited	855,000	4,42,16	855,000	4,42,16
Kilburn Office Automation Limited	89,000	10,62	89,000	10,62
Williamson Financial Services Limited	576,250	1,91,09	576,250	1,91,09

## Unquoted

## Equity Shares - fully paid-up

Dewrance Macneill & Company Limited (In Liquidation)	1,200,000	—	1,200,000	—
Babcock Borsig Limited (Refer Note 2 below)	2,508,013	3,73,33	2,508,013	3,73,33
Kilburn Electricals Limited	14,000	1,40	14,000	1,40
Manor Travels Limited	12,000	1,20	12,000	1,20
Johnston Castings & Allied Industries Limited	2,500	—	2,500	—
D 1 Williamson Magor Bio Fuel Limited	3,333,273	5,99,99	3,333,273	5,99,99

## Other than Trade Investments

## Quoted

## Preference Shares- fully paid-up

Metal Box India Limited	2,000	66	2,000	66
-------------------------	-------	----	-------	----

## Equity Shares - fully paid-up

Essar Shipping Limited	300	33	300	33
J J Leasing & Hiring Limited	1,000	10	1,000	10
Marigold Glass Industries Limited (formerly Marigold Securities Limited)	7,500	1,13	7,500	1,13
Suryachakra Sea Foods Limited	50,000	9,00	50,000	9,00

## Unquoted

## Debenture Stock - Non-Redeemable

6½% The Bengal Chamber of Commerce & Industry	24	24	24	24
5% Woodlands Hospital and Medical Research Centre Ltd.	106,500	1,07	106,500	1,07
½% Woodlands Hospital and Medical Research Centre Ltd.	1,39	9	1,39	9



	31st March, 2009		31st March, 2008	
	Nos.	Rs.'000	Nos.	Rs.'000
<b>SCHEDULE V</b>				
<b>INVESTMENTS - LONG TERM (Continued)</b>				
<b>Other Than Trade Investments</b>				
<b>Unquoted</b>				
<b>Preference Shares — fully paid-up</b>				
9% Irredeemable Cumulative Preference Shares of India General Navigation & Railway Company Limited (in Voluntary Liquidation)(Rs.424)	228	—	228	—
<b>Equity Shares — fully paid-up</b>				
§ Arvindnagar Goodwill & Co-operative Housing Society Limited of Rs.50 each (Rs.250)	5	—	5	—
§ Seema Apartments Co-operative Housing Society Limited of Rs. 50 each	80	4	80	4
Kornafuli Association Limited	327	—	327	—
§ Rivers Steam Navigation Company Limited (Re.1)	135,810	—	135,810	—
Delhi Golf & Country Club Pvt.Limited.	45,000	45,00	45,000	45,00
Cosepa Fiscal Industries Limited	350,000	35,00	350,000	35,00
ABC Tea Workers Welfare Services	10,567	1,06	10,567	1,06
Gouripore Electric Supply Co.Limited (In Voluntary Liquidation)	3,000	—	3,000	—
<b>Subsidiary Companies</b>				
<b>Unquoted</b>				
Equity Shares - fully paid up				
Woodside Parks Limited	2,200,001	2,20,00	2,200,001	2,20,00
Majerhat Estates & Developers Limited	3,000,000	3,00,00	3,000,000	3,00,00
<b>Total Investments</b>		2,13,06,57		1,99,09,84
Less : Provision for Diminution in value of investments		6,81,64		6,32,21
		<u>2,06,24,93</u>		<u>1,92,77,63</u>
Aggregate value of Quoted Investments		1,97,28,14		1,83,31,41
Unquoted Investments		15,78,43		15,78,43
		<u>2,13,06,57</u>		<u>1,99,09,84</u>
<b>Market Value of Quoted Investments</b>		1,22,39,45		1,79,90,84

**Notes :**

1. All shares except as indicated by § are of Rs.10 each fully paid-up.
2. 1,41,70,753 shares of Eveready Industries India Limited, 110,69,339 shares of Mcleod Russel India Limited, 25,08,013 shares of Babcock Borsig Limited , 30,00,000 shares of Kilburn Engineering Limited and 9,00,000 shares of Mcnally Bharat Engineering Co. Limited have been pledged with banks and financial institutions against financial assistance taken by the Company and others.



	31st March, 2009 Rs.'000	<i>31st March, 2008</i> <i>Rs. '000</i>
<b>SCHEDULE VI</b>		
<b>SUNDRY DEBTORS</b>		
Unsecured		
Debts outstanding for a period exceeding six months		
Considered good	67,38	<i>1,72,75</i>
Considered doubtful	3,89,17	<i>3,83,25</i>
Other Debts - considered good	1,18,88	<i>1,87,13</i>
	<u>5,75,43</u>	<u><i>7,43,13</i></u>
Less : Provision for Doubtful Debts	3,89,17	<i>3,83,25</i>
	<u>1,86,26</u>	<u><i>3,59,88</i></u>
<b>SCHEDULE VII</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest Receivable -		
Considered good	7,23,72	<i>3,90,29</i>
Considered doubtful *	7,84,06	<i>7,91,42</i>
	<u>15,07,78</u>	<u><i>11,81,71</i></u>
Less : Provision for Doubtful Receivables	7,84,06	<i>7,91,42</i>
	<u>7,23,72</u>	<u><i>3,90,29</i></u>
* Includes due from subsidiary companies	4,27,99	<i>4,35,94</i>
<b>SCHEDULE VIII</b>		
<b>CASH AND BANK BALANCES</b>		
Cash in hand	93	<i>2,64</i>
Cheques in hand	—	<i>6,20</i>
With Scheduled Banks -		
On Current Accounts	2,51,95	<i>2,33,11</i>
On Deposit Accounts	55	<i>74</i>
On Dividend Accounts	—	<i>87</i>
On Redeemed Preference Share Accounts	1,63	<i>1,63</i>
	<u>2,55,06</u>	<u><i>2,45,19</i></u>



	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
<b>SCHEDULE IX</b>		
<b>LOANS AND ADVANCES</b>		
Unsecured and considered good unless mentioned otherwise		
Advances recoverable in cash or in kind or for value to be received		
Considered good *	5,37,66	19,10,66
Considered doubtful**	7,25,59	7,27,71
Loans		
Considered good	65,31,00	42,00,00
Considered doubtful**	11,83,65	11,83,65
Balance with Excise Authorities (considered doubtful)	12	12
Deposits - considered good	35,10	35,10
Considered doubtful	68	68
Advance Tax (Net of Provision Rs.22,28,17 thousand) (Previous Year Rs.23,73,06 thousand)	7,03,77	6,79,25
	<u>97,17,57</u>	<u>87,37,17</u>
Less: Provision for Doubtful Advances	19,10,04	19,12,16
	<u>78,07,53</u>	<u>68,25,01</u>
Notes:		
* Advance to a firm in which a director is a partner	4,81	5,52
** Amount due from subsidiaries -		
Majerhat Estates & Developers Limited	9,74,50	9,74,50
Maximum amount outstanding during the year		
Majerhat Estates & Developers Limited	10,50,50	10,24,50
<b>SCHEDULE X</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
Liabilities		
Sundry Creditors *	55,07	78,06
Security Deposits	48,24	47,64
Other Liabilities	3,87,69	4,55,11
Interest Accrued but not due	90,13	—
	<u>5,81,13</u>	<u>5,80,81</u>
* Refer Note 3 of Schedule XVI		
Provisions		
For Retirement Benefits	73,07	1,23,67
Fringe Benefit Tax (Net of advance tax Rs.12,50 thousand) (Previous Year Rs.13,50 thousand)	30	1,44
	<u>73,37</u>	<u>1,25,11</u>



## SCHEDULE XI

## INCOME FROM OPERATIONS

* Maintenance Services		
* Rental Income		
* Other Consultancy Services		
Dividends on Trade Investments		
Interest on Inter Corporate Deposits		
Interest on Bank Fixed Deposit		
Profit on Sale of Long Term Investments		
Provisions written back (Net of Bad Debts/ Advances written off of Rs.Nil, previous year Rs. 1,83,06 thousand )		

31st March, 2009

Rs.'000

1,39,14

1,39,83

3,72,00

1,40,86

12,18,41

3

—

12,04

20,22,31

74,98

31st March, 2008

Rs. 000

1,30,38

1,31,89

3,84,00

1,84,63

5,90,19

2

1,89,06

4,77,44

20,87,61

2,05,19

\* Tax deducted at source

## SCHEDULE XII

## OTHER INCOME

Interest on Income Tax Refund		
Provision for retirement benefit written back		
Miscellaneous Income		

27,61 \*

29,64 \*\*

2,24

59,49

1,22,57

—

35

1,22,92

\* Includes Rs.15,26 thousand in respect of prior period

\*\* Written back of Rs.23,65 thousand in respect of prior period

## SCHEDULE XIII

## EXPENSES

Salaries, Wages, Compensation and Bonus		
Contribution to Provident and Other Funds		
Pension and Gratuity		
Establishment and General Expenses		
Travelling Expenses		
Workmen and Staff Welfare		
Directors' Fees		
Financial Charges		
Insurance		
Rent		
Rates and Taxes		
Legal & Professional		
Power and Fuel		
Repair to Buildings		
Repair to Machinery		
General Repairs and Renewals		
Audit Fee		
Loss for Assets Scrapped/Disposed (net)		
Provision for Doubtful Debts		
Provision for Doubtful Advance		
Provision for Diminution in the value of Investments		
Loss on non conversion of share warrants		

41,26

2,38

6,51

32,55

37,16

29,25

6,80

17,97

15,87

8,77

18,16

76,29

39,14

47,11

1,38

44,06

6,00

—

7,73

74

49,43

—

4,88,56

1,22,21

15,90

66

37,27

59,56

36,53

6,00

37,50

16,13

8,61

33,39

41,62

35,15

54,92

1,58

37,41

4,00

1,65

16,25

8,77

17,53

452,68

10,45,32



## SCHEDULE XIV

## INTEREST

Term Loans  
Others

31st March, 2009

Rs.'000

20,44,03

3,15

20,47,18*31st March, 2008**Rs.'000**12,31,17**45**12,31,62*

## SCHEDULE XV

## SIGNIFICANT ACCOUNTING POLICIES

## FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

- (a) **BASIS FOR PREPARATION OF ACCOUNTS** : The accounts have been prepared to comply with all material aspects with applicable principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956, and other relevant provisions of the said Act.
- (b) **BASIS OF ACCOUNTING** : The financial statements have been prepared in accordance with the historical cost convention as modified by revaluation of certain fixed assets.
- (c) **FIXED ASSETS AND DEPRECIATION** : Tangible fixed assets are stated at cost of acquisition or at revaluation on current cost basis, as relevant. Depreciation on fixed assets is provided on reducing balance method (except for assets at erstwhile Engineering Division which is on straight line method) in accordance with Schedule XIV of the Companies Act, 1956. Additional charges of depreciation for the year on differential increase in values arising out of revaluation is adjusted against withdrawal from Revaluation Reserve.  
An impairment loss is recognised where applicable when the carrying value of Fixed Assets exceeds their market value or value in use, whichever is higher.  
Profit or loss on disposal of fixed assets is recognised in the Profit and Loss Account.
- (d) **INVESTMENTS**  
Investments which are of long term nature are stated at cost less amounts written off when the directors are of the opinion that permanent diminutions in their carrying values have taken place.
- (e) **INCOME FROM INVESTMENTS AND INTEREST**  
Dividend from investments is accounted for as and when right is established. Interest is accounted for on accrual basis, and guided by the Rules framed for Non Banking Financial Company by the Reserve Bank of India.
- (f) **SERVICE INCOME** : These are accounted for based on business arrangements in existence.
- (g) **LEASE RENT** : Lease income under operating lease are recognised in Profit & Loss account.
- (h) **EMPLOYEE BENEFITS** :
- Short term employee benefits : These are recognised at the undiscounted amount in the profit and loss account for the year in which the related service is rendered
  - Post Employment Benefit Plans : Contributions under Defined Contribution Plans are recognised on accrual basis as expenses for the year. In case of Defined Benefit Plans, the cost of providing the benefit is determined on the basis of actuarial valuation using the Projected Unit Credit Method at each Balance Sheet date.  
Actuarial gains and losses are recognised immediately in the profit and loss account. The retirement benefit obligation provided in the Balance Sheet represents the present value of the defined benefit obligation.
- (i) **FOREIGN CURRENCY TRANSACTIONS** : Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions.
- (j) **BORROWING COSTS** : Borrowing costs, other than those on qualifying assets are charged to Profit & Loss Account.
- (k) **TAXES ON INCOME** : Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of carried forward losses and/or unabsorbed depreciation are recognised only when it is virtually certain and in respect of other assets where there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.  
Fringe Benefit Tax is accounted for based on the estimated value of fringe benefit for the period as per the related provision of the Income Tax Act, 1961.





SCHEDULE XVI  
NOTES ON ACCOUNTS

1. Claims against the Company not acknowledged as debt

	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
Claims against the Company not acknowledged as debt	93	93
2. Contingent Liabilities for :		
(a) Sales Tax matters under dispute	41,98 (Note i)	41,98
(b) Excise matters under dispute	7,11 (Note ii)	7,11
(c) Guarantees given for loans granted to companies within the group	6,84,47	13,61,88

The probable cash outflow in respect of above is not determinable at this stage.

Notes :

- i) Represents sales tax levied on income from license fees pending before Commissioner of Commercial Taxes, West Bengal.
  - ii) Representing claim in respect of Interest on Excise Duty pending before the Hon'ble High Court at Chennai.
3. Sundry Creditors in Schedule X include Rs. Nil (*Previous year - Rs. 10 thousand*) due to Directors. In absence of information available with the Company with regard to registration of parties under the Micro, Small and Medium Enterprises Development Act 2006, no disclosure has been made in respect of such companies, if any.
4. Depreciation charged to the Profit and Loss Account is net of withdrawal from Revaluation Reserve to the extent of Rs. 1,31,24 thousand (*Previous year - Rs. 1,38,15 thousand*).

	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
5. Other Directors' Remuneration :		
Fee	6,80	6,00
6. Remuneration paid/payable to Manager/Wholetime Director		
Salary & Allowances	4,20	41,10
Contribution to Provident Fund & Other Funds	—	5,67
Perquisites	84	85
	<u>5,04</u>	<u>47,62</u>
7. Pension paid to former directors during the year	1,34	1,38
8. In addition to the fees payable to the Auditors, the following amounts were paid/payable to them - As remuneration for services rendered for :		
a) Audit of Miscellaneous Certificates / Reports	9,65	7,52
b) Fees for Audit u/s 44AB of the Income Tax Act, 1961	1,75	1,50
c) In respect of expenses	2,66	1,61
9. Expenditure incurred in Foreign Currency :		
Pension to Non-Residents	6,86	6,57
Foreign Travel	—	8,16
	<u>6,86</u>	<u>14,73</u>



10. Operating Lease :

The Company has leasing arrangements in the nature of operating leases in respect of its premises for a period of 3 to 9 years which are cancellable and are usually renewable by mutual consent on mutually agreeable terms. The aggregate of such lease rentals are recognised as rental income under Schedule XI.

11. Post Employment Benefits :

Defined Contribution Schemes

(a) Provident Fund:

Contributions to Provident Funds are made by the Company, based on current salaries, to recognised funds administered by the Trustees of the Company. In case of Provident Fund Schemes, contributions are also made by the employees.

The investments are made as per the rules laid down by Employees Provident Fund Organisation (EPFO). The company has an obligation to fund any shortfall in return on plan assets over the interest rates prescribed by EPFO.

In regard to any future obligation arising due to shortfall between the interest to be paid on provident fund scheme and the interest earned on investment, pending the issuance of a Guidance Note from the Institute of Actuaries of India, the actuary has expressed his inability to reliably measure the same.

The total amount contributed by the company to the Fund for the year ended 31st March 2009 was Rs. 1,41 thousand (*previous year- Rs. 7,34 thousand*).

(b) Superannuation Fund:

Contributions to Superannuation Schemes are applicable for certain categories of employees and the contribution by the Company is invested with Insurance Companies.

The total amount paid on this account during the year ended 31st March 2009 was Rs. 97 thousand (*Previous year – Rs. 8,56 thousand*).

Defined Benefit Schemes

(a) Pension (Unfunded)

The Company has an informal practice of paying pension to certain categories of retired employees and in certain cases to their surviving spouses.

(b) Medical Insurance Premium Re-imbusement (Unfunded)

The Company has a scheme of re-imbusement of medical insurance premium to certain categories of employees and their surviving spouses, upon retirement, subject to a monetary limit.

(c) Leave Encashment

Accrued liability towards leave encashment benefits payable to employees has also been evaluated on the basis of actuarial valuation at the end of the year and has been recognized as a charge in the accounts.

The following table set forth the particulars as per actuarial valuation in respect of Defined Benefit Schemes of the Company for the year ended 31st March, 2009.







Changes in present value of defined benefit obligations during the year ended 31st March 2009.	Pension (Rs. '000)		Medical Insurance (Rs. '000)		Leave Encashment (Rs. '000)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Opening Present Value of obligation	76,21	89,55	29,10	29,69	18,36	12,01
Provision Written Back	(23,65)	—	(5,99)	—	—	—
Interest Cost	3,67	7,02	1,81	2,44	55	1,03
Current Service Cost	—	—	—	—	1	6
Benefits Paid	(13,42)	(13,82)	(2,41)	(1,87)	(22,98)	—
Actuarial loss (gain) on obligations	2,84	(6,54)	2,03	(1,16)	6,94	5,26
Closing Present Value of obligation	45,65	76,21	24,54	29,10	2,88	18,36

Changes in the fair value of plan assets during the year ended 31st March 2009	Pension (Rs. '000)	Medical Insurance (Rs. '000)	Leave Encashment (Rs. '000)
Opening Fair Value of Plan Assets	Not applicable	Not applicable	Not applicable
Expected Return on Plan Asset	as the Scheme	as the Scheme	as the Scheme
Contributions	is unfunded	is unfunded	is unfunded
Benefits Paid			
Actuarial gain on Plan Asset			
Closing Fair Value of Plan Asset			

Amount recognized in Balance Sheet	Pension (Rs. '000)		Medical Insurance (Rs. '000)		Leave Encashment (Rs. '000)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Present Value of obligation	45,65	76,21	24,54	29,10	2,88	18,36
Fair value of Plan Asset	—	—	—	—	—	—
Net Asset/(Liability) recognized in Balance Sheet	(45,65)	(76,21)	(24,54)	(29,10)	(2,88)	(18,36)
Amount recognized in Balance Sheet	Pension (Rs. '000) (Note i and iv)		Medical Insurance (Rs. '000) (Note ii and iv)		Leave Encashment (Rs. '000) (Note iii)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Provision Written Back	(23,65)	—	(5,99)	—	—	—
Current Service Cost	—	—	—	—	1	6
Interest Cost	3,67	7,02	1,81	2,44	55	1,03
Expected Return of Plan Asset	—	—	—	—	—	—
Actuarial loss/ (gain) recognized in the year	2,84	(6,54)	2,03	(1,16)	6,94	5,26
Expense / (gain) Recognized in statement of Profit / Loss	(17,14)	48	(2,15)	1,28	7,50	6,35





## Notes :

- i) Charge for the year included in Pension and Gratuity (Schedule XIII)
- ii) Charge for the year included in Workmen and Staff Welfare (Schedule XIII)
- iii) Charge for the year included in Salaries, Wages, Compensation and Bonus (Schedule XIII)
- iv) Provision written back included in Other Income (Schedule XII)

Category of Plan Assets	Pension (Rs. '000)	Medical Insurance (Rs. '000)	Leave Encashment (Rs. '000)
	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded

Principal Actuarial Assumptions	Pension (Rs. '000)		Medical Insurance (Rs. '000)		Leave Encashment (Rs. '000)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Mortality Table	LICI 1994-96	LICI 1994-96	LICI 1994-96	LICI 1994-96	LICI 1994-96	LICI 1994-96
Superannuation Age	58	58	58	58	58	58
Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
Discount Rate	8	8.5	8	8.5	8	8.5
Inflation Rate	—	—	—	—	5.00	5.00
Return of Asset	—	—	—	—	—	—
Remaining Working Life	—	—	—	—	4	4
Formula Used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method

The estimates of rate of inflation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment sphere.

Since the Company has adopted Accounting Standard 15 (Revised 2005) on Employee benefits during the previous year 2007-08 only figures for two financial years are available and disclosed.

12. Disclosures in respect of related parties as defined in Accounting Standard(AS)-18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India (ICAI), with whom transactions have taken place during the year are noted below -

- a) Subsidiary Companies :
  - Woodside Parks Limited
  - Majerhat Estates & Developers Limited
- b) Associate Companies :
  - Babcock Borsig Limited
  - Metals Centre Limited
  - Kilburn Engineering Limited
  - Eveready Industries India Limited
- c) Joint Venture Company :
  - D1 Williamson Magor Bio Fuel Limited - Joint Venture Company with Middlesbrough Oils UK Limited.



- d) Key Management Personnel : Mr. B M Khaitan  
Mr. Deepak Khaitan  
Mr. A Khaitan  
Mr. D Pal Choudhury

## Nature of transactions

	Year	Subsidiaries	Associates	Key Management Personnel	Total
		Rs.'000	Rs.'000	Rs.'000	Rs.'000
Dividend	2008-09	—	—	—	—
	2007-08	—	70,22	—	70,22
Rental Income	2008-09	—	9,60	—	9,60
	2007-08	—	2,40	—	2,40
Maintenance Services	2008-09	—	6,08	—	6,08
	2007-08	—	20	—	20
Other Consultancy Services	2008-09	—	2,52,00	—	2,52,00
	2007-08	—	2,64,00	—	2,64,00
Purchase of Investments	2008-09	—	—	—	—
	2007-08	—	1,77,81	—	1,77,81
Provision during the year	2008-09	18	4,12	—	4,30
	2007-08	—	6,76	—	6,76
Provision written back	2008-09	7,95	4,09	—	12,04
	2007-08	1,32,36	43,97	—	1,76,33
Inter Corporate Loan given	2008-09	26,00	—	—	26,00
	2007-08	6,50	—	—	6,50
Interest on Inter Corporate Loan given	2008-09	—	—	—	—
	2007-08	18	—	—	18
Inter Corporate Loan taken	2008-09	—	10,00,00	—	10,00,00
	2007-08	—	—	—	—
Interest on Inter Corporate Loan taken	2008-09	—	1,13,73	—	1,13,73
	2007-08	—	49,00	—	49,00
Sitting Fees	2008-09	—	—	1,40	1,40
	2007-08	—	—	1,20	1,20
Remuneration	2008-09	—	—	5,04	5,04
	2007-08	—	—	47,62	47,62



## Nature of transactions

	Year	Subsidiaries Rs.'000	Associates Rs.'000	Key Management Personnel Rs.'000	Total Rs.'000
Outstanding as on Balance Sheet date					
Investments	2008-09	5,20,00	1,08,01,90	—	1,13,21,90
	2007-08	5,20,00	1,08,01,90	—	1,13,21,90
Provision for Diminution in the value of Investments	2008-09	2,77,69	—	—	2,77,69
	2007-08	2,77,69	—	—	2,77,69
Receivables					
Inter Corporate Loan given	2008-09	9,73,65	—	—	9,73,65
	2007-08	9,73,65	—	—	9,73,65
Interest on Inter Corporate Loan given	2008-09	4,27,99	—	—	4,27,99
	2007-08	4,35,94	—	—	4,35,94
Debtors	2008-09	—	1,14,18	—	1,14,18
	2007-08	—	2,93,72	—	2,93,72
Loans and Advances	2008-09	85	27,53	—	28,38
	2007-08	85	55,27	—	56,12
Provisions for Doubtful Debts	2008-09	—	4,12	—	4,12
	2007-08	—	1,23	—	1,23
Provision for Doubtful Advances	2008-09	9,74,50	—	—	9,74,50
	2007-08	9,74,32	5,53	—	9,79,85
Provision for Other Current Assets	2008-09	4,27,99	—	—	4,27,99
	2007-08	4,35,94	—	—	4,35,94
Payables					
Inter Corporate Loan taken	2008-09	—	17,00,00	—	17,00,00
	2007-08	—	7,00,00	—	7,00,00
Interest on Inter Corporate Loan taken	2008-09	—	87,96	—	87,96
	2007-08	—	49,00	—	49,00
Guarantees	2008-09	—	6,20,97	—	6,20,97
	2007-08	—	12,98,39	—	12,98,39

## Transactions/ Outstanding with Joint Venture:

Investment made during the year	-	Rs.	Nil
Investment outstanding as at 31st March, 2009	-	Rs.	5,99,99,390
Outstanding Payable as at 31st March, 2009	-	Rs.	2,66,81,629
(Previous year Rs.3,51,84,116)			



Disclosure as per Accounting Standard(AS)-27 "Financial Reporting of Interests in Joint Venture" issued by the Institute of Chartered Accountants of India (ICAI) :

Name	-	D1 Williamson Magor Bio Fuel Limited
Proportion Ownership Interest	-	19.19% (Previous year - 33.45%)
Country of Incorporation	-	India

Company's Financial with Joint Venture:

Company's Financial	Proportionate interest in Joint Venture	
	31st March 2009 Amount (Rs'000)	31 st March 2008 Amount (Rs'000)
Assets:		
Fixed Assets (Net Block)	8,89	11,69
Current Assets, Loans & Advances		
Inventory	4,15	79
Cash & Bank Balances	8,13	16,21
Other Current Assets	—	7,53
Loans & Advances	<u>6,87,21</u>	<u>7,08,38</u>
Liabilities	1,08,47	<u>7,57,14</u>
Income		
Other Income	8,88	1,44,33
Expenditure		
Expenses	1,77,25	2,42,76
Depreciation	<u>2,84</u>	<u>5,33</u>
		2,48,09

### 13. Earning Per Share (EPS)

	31st March, 2009	31st March, 2008
Profit/(Loss) after Tax as per Profit & Loss Account (Rs. thousand)	(3,57,52)	(1,16,74)
Average number of Equity Shares (Face Value Rs. 10 each)	1,09,56,360	<i>1,09,56,360</i>
Basic and Diluted EPS (in Rupees)	(3.26)	<i>(1.07)</i>

14. The Company has unabsorbed depreciation and carried forward business losses available for set off under Income Tax Act, 1961. However, in view of inability to assess future taxable income, the extent of deferred tax assets which may be adjusted in subsequent years is not ascertainable with virtual certainty at this stage, and accordingly in keeping with the requirement of Accounting Standard (AS) - 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India (ICAI) it has been decided to retain the deferred tax asset only to the extent of deferred tax liability resulting into a net deferred tax position of Rs. NIL as disclosed below -





	31st March, 2009 Rs.'000	<i>31st March, 2008</i> <i>Rs. '000</i>
Deferred Tax assets and liabilities are attributable to the following items :		
Liabilities :		
Depreciation		
Assets :	1,04	<i>43,62</i>
Unabsorbed Business Losses	10,15,85	<i>10,18,20</i>
Unabsorbed Depreciation	21,30	<i>21,30</i>
Unabsorbed Capital Losses	39,49	<i>39,49</i>
Tax effect of opening liability pursuant to Transitional provision of AS-15 (Revised 2005)	—	<i>40,53</i>
Recognised to the extent of Liability	<u>1,04</u>	<u><i>43,62</i></u>
	<u>—</u>	<u>—</u>

15. The Company is registered as a Non-Banking Financial Company and is primarily engaged in holding shares in its group companies. The Company does not have any reportable segment as envisaged in Accounting Standard (AS)-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India (ICAI).
16. Pursuant to the requirements of Non-Banking Financial (Non-Deposit Accepting or Holding) companies Prudential Norms (Reserve Bank) Directions 2007, the Company has made an application to The Reserve bank of India for relaxation of the requirements relating to concentration of investment. The Bank has not granted exemption from the norms and has advised the company to submit a time bound plan to reduce the exposures to the permissible limit. The company is in the process of reorganizing its investment portfolio to comply with the said norms.
17. The figures for the previous year have been regrouped and re-arranged wherever necessary.

#### Signatures to Schedules I to XVI

Kolkata, 3rd June, 2009

A. KHAITAN - *Director*  
R. S. JHAWAR - *Director*  
H. U. SANGHAVI - *Secretary*



**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**  
(in terms of amendment to Schedule VI Part IV)

I. Registration Details

Registration No. 1 7 7 1 5 State Code 2 1  
Balance Sheet Date 3 1 0 3 2 0 0 9

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	Right Issue
[ ][ ][ ][ ] N I L	[ ][ ][ ][ ] N I L
Bonus Issue	Private Placement
[ ][ ][ ][ ] N I L	[ ][ ][ ][ ] N I L

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

	Total Liabilities	Total Assets
	3 6 6 3 6 8 6	3 6 6 3 6 8 6
Sources of Funds	Paid-Up Capital	Reserve & Surplus
	[ ][ ] 1 0 9 5 6 4	[ ][ ] 1 8 4 2 9 7 3
	Secured Loans	Unsecured Loans
	[ ][ ] 1 0 0 7 1 8 4	[ ][ ] 6 3 8 5 1 5
Application of Funds	Net Fixed Assets	Investments
	[ ][ ] 7 0 3 9 3 6	[ ][ ] 2 0 6 2 4 9 3
	Net Current Assets	Misc. Expenditure
	[ ][ ] 8 3 1 8 0 7	[ ][ ][ ][ ] N I L
	Accumulated Losses	
	[ ][ ][ ][ ] N I L	

IV. Performance of the Company (Amount in Rs. Thousands)

	Turnover	Total Expenditure
	[ ][ ] 2 0 8 1 8 0	[ ][ ] 2 5 5 8 3 9
+ -	Profit/Loss Before Tax	+ - Profit/Loss After Tax
[ ][ ] 3	[ ][ ] 4 7 6 5 9	[ ][ ] 3
	Earning Per Share in Rs.	Dividend rate %
	— [ ][ ] 3 . 2 6	[ ][ ][ ][ ] N I L

V. Generic Names of principal Products of the Company (as per monetary terms)

Item Code No. (ITC Code) N O T A P P L I C A B L E  
Product Description T R A D I N G , I N V E S T M E N T , P R O P E R T Y  
O W N E R S & T E A W A R E H O U S I N G

A. KHAITAN - Director

R. S. JHAWAR - Director

H. U. SANGHAVI - Secretary

Kolkata, 3rd June, 2009

**STATEMENT PURSUANT TO SECTION 212(1)(E) OF THE COMPANIES ACT, 1956.**

The net aggregate amount so far as they concern members of the Holding Company and are not dealt with in the Company's Accounts of the Subsidiary's profits after deducting its losses and vice-versa.

Name of the Subsidiary Companies	Extent of Interest (All shares are fully paid-up)		For the Financial year of the Subsidiaries (Rs. '000)	<i>For the previous Financial Years since becoming subsidiaries (Rs. '000)</i>
Woodside Parks Limited	100% of Rs.10 each	Equity Share	29,94	<i>(5,28,69)</i>
Majerhat Estates & Developers Limited	100% of Rs.10 each	Equity Share	(1,78)	<i>(58,16)</i>

The net aggregate amount of the Subsidiary Companies' profits less losses dealt with in the Company's accounts :

Woodside Parks Limited	Nil
Majerhat Estates & Developers Limited	Nil

Kolkata, 3rd June, 2009

A. KHAITAN - *Director*  
R. S. JHAWAR - *Director*







## FINANCIAL YEAR 2008-2009

### Schedule to the Balance Sheet

[(As required in terms of Paragraph 13 of  
Non-Banking Financial (Non-Deposit  
Accepting or Holding) Companies Prudential  
Norms (Reserve Bank) Directions, 2007)]

	(Rs. in lakh) Amount outstanding
<b>Particulars</b>	
<b>Liabilities side :</b>	
(1) Loans and advances availed by the Company inclusive of interest accrued thereon but not paid :	
(a) Debentures : Secured	Nil
: Unsecured	Nil
(other than failing within the the meaning of public deposits)	
(b) Deferred Credits	Nil
(c) Term Loans	10,071.84
(d) Inter-corporate loans and borrowings	6,385.15
(e) Commercial Paper	Nil
(f) Public Deposits	Nil
(g) Other Loans	Nil
<b>Assets side :</b>	
(2) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :	
(a) Secured	Nil
(b) Unsecured	11,800.78
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities	
(i) Lease assets including lease rentals under sundry debtors :	N/A
(a) Financial lease (net of Lease Terminal Adjustment and advance from Lessee)	N/A
(b) Operating lease	N/A



	(Rs. in lakh)
	Amount outstanding
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	N/A
(b) Repossessed Assets	N/A
(iii) Hypothecation loans counting towards AFC activities	
(a) Loans where assets have been repossessed	N/A
(b) Loans other than (a) above	N/A
(4) Break-up of Investments :	
Current Investments :	
1. Quoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others	Nil
2. Unquoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others	Nil
Long Term Investments (Net of provisions) :	
1. Quoted :	
(i) Shares : (a) Equity	19,407.84
(b) Preference	—
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others	Nil
2. Unquoted :	
(i) Shares : (a) Equity	1,217.09
(b) Preference	—
(ii) Debentures and Bonds	—
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others	Nil



(5) Borrower group-wise classification of assets  
financed as in (2) and (3) above

Category	Amount net of provision		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related parties	—	157.63	157.63
2. Other than related parties	—	8,559.88	8,559.88
Total	—	<u>8,717.51</u>	<u>8,717.51</u>

(6) Investor group-wise classification of all Investments  
(current and long term) in shares and securities  
(both quoted and unquoted) :

Category	Market value/ Break-up or fair value or NAV	Book value (Net of Provision)
1. Related Parties		
(a) Subsidiaries	241.57	242.31
(b) Companies in the same group	—	—
(c) Other related parties	16,061.91	11,401.89
2. Other than related parties	8,504.44	8,980.73
Total	<u>24,807.92</u>	<u>20,624.93</u>

(7) Other Information

Particulars	Amount
(i) Gross Non-Performing Assets (a+b)	3,157.66
(a) Related parties	1,464.16
(b) Other than related parties	1,693.50
(ii) Net Non-Performing Assets (a+b)	74.40
(a) Related parties	61.17
(b) Other than related parties	13.23
(iii) Assets acquired in satisfaction of debt	—



Financial Year 2008-2009  
Schedule to the Balance Sheet  
[As required in terms of Paragraph 10 of  
Non-Banking Financial (Non-Deposit Accepting or Holding)  
Companies Prudential Norms (Reserve Bank) Directions, 2007]

(A) Capital to Risk Assets Ratio (CRAR)

Items	Current Year	Previous Year
i) CRAR (%)	45.39%	48.83%
ii) CRAR - Tier I Capital (%)	35.27%	38.01%
iii) CRAR - Tier II Capital (%)	10.12%	10.82%

(B) Maturity pattern of certain items of assets and liabilities

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from Banks	—	—	—	—	—	—	—	—	—
Market borrowings Institutions	1.46	0.90	3.79	9.40	15.28	45.35	4.14	20.40	100.72
Market borrowings Others	—	5.50	26.65	6.50	15.00	8.75	—	—	62.40
Assets									
Advances	1.02	8.38	30.25	1.30	33.46	5.72	—	7.04	87.17
Investments *	—	—	—	—	—	—	—	—	—

\* Investments held by the company are long term in nature and have no fixed period of maturity.



# WOODSIDE PARKS LIMITED

## DIRECTORS

A. KHAITAN  
PADAM KUMAR KHAITAN  
M. R. PASARI  
K. K. BAHETI

## AUDITORS

MESSRS. KABIRAJ & CO.  
*Chartered Accountants*

## BANKERS

ING VYSYA BANK LIMITED  
HDFC BANK LTD.

## REGISTERED OFFICE

FOUR MANGO LANE  
SURENDRA MOHAN GHOSH SARANI  
KOLKATA - 700 001.





## WOODSIDE PARKS LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2009

The Directors submit their Report and the Accounts of the Company for the year ended 31st March, 2009.

#### FINANCIAL RESULTS

	Rs. in '000
Profit/(Loss) for the year after taxation	29,94
Loss brought forward from previous year	(5,28,69)
Loss carried forward	<u>(4,98,75)</u>

#### DIVIDEND

On account of accumulated losses your Directors regret their inability to recommended any dividend for the year under review.

#### OPERATIONS

The year ended 31st March, 2009 was not a very favourable year for your Company. The Company earned an income of Rs.0.03 lakh during the year under review compared to Rs.136.01 lakh in the previous year. The Company posted a post tax profit of Rs.29.94 lakh during the year under review compared to a profit of Rs.11.77 lakh earned in the previous year.

#### DIRECTORS

Since the last Report there has been no change in the Board of Directors.

Pursuant to the provisions of the Articles of Association of the Company Mr. A. Khaitan retires by rotation and, being eligible, offers himself for re-appointment.

#### DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of the Companies Act, 1956 your Directors confirm as under :

- (i) that in the preparation of the Annual Accounts, applicable accounting standards have been followed.
- (ii) that the accounting policies are consistently followed and applied to give a true and fair view of the state of affairs of the Company.
- (iii) that proper and sufficient care has been taken for the maintenance of accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) that the Annual Accounts have been prepared on a going concern basis.

#### AUDITORS

Messrs. Kabiraj & Co., Chartered Accountants, the Auditors of the Company, retire and, being eligible, shall subject to Section 224(2) of the Companies Act, 1956 be re-appointed.

The Company did not have any employee during the period under review.

Kolkata, 21st May, 2009

On behalf of the Board

M. R. PASARI }  
K. K. BAHETI } Directors





## WOODSIDE PARKS LIMITED

### AUDITORS' REPORT TO THE MEMBERS OF WOODSIDE PARKS LIMITED

1. We have audited the attached Balance Sheet of WOODSIDE PARKS LIMITED as at 31st March, 2009, and the annexed Profit and Loss Account for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
  - I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit ;
  - II. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those Books ;
  - III. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the Books of Account ;
  - IV. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956 ;
  - V. Based on information received from Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of amended Section 274 (1) (g) of the Companies Act, 1956 ;
  - VI. In our opinion, and to the best of our information and according to the explanations given to us, the said accounts together with the schedules annexed and read with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India :
    - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009.
    - b) In the case of the Profit & Loss Account, of the loss for the year ended on that date.

Place : Kolkata  
Dated : May 21, 2009

For Kabiraj & Co.  
*Chartered Accountants*  
S. KABIRAJ  
*Partner*  
*Membership No. 50879*





## WOODSIDE PARKS LIMITED

### ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date to the members of Woodside Parks Limited)

- i) There was no fixed asset of the Company during the year and therefore clause 4(i) is not applicable to the Company.
- ii) According to the information and explanations given to us, the Company did not have any inventory during the year under audit and as such provisions of this clause are not applicable.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties as covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, sub clauses (b) to (d) of this clause are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of building materials and other assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct the major weaknesses in internal control system.
- v) According to the information and explanations given to us the transactions that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956 are duly entered.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the year in terms of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder.
- vii) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- viii) Provisions of Section 209 (1) (d) of the Companies Act, 1956 regarding maintenance of cost records are not applicable to the Company.
- ix)
  - a) According to the information and explanations given to us, the Company is not coming under the purview of Provident Fund Act, ESI Act and Sales Tax Act and the Company did not have any liability for Income Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty and for Investor Education Protection Fund or any cess. The Company is regular in depositing other material statutory dues applicable on it .
  - b) According to the information and explanations given to us, no undisputed awards payable in respect of Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and cess were in arrears, as at 31st March, 2009 for a period of more than six months from the date they became payable.
  - c) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and cess which have not been deposited on account of any dispute.
- x) The Company has accumulated losses at the end of the year amounting to Rs. 498.75 lacs and the Company has incurred cash losses during the year under audit but there were no cash loss in the immediately preceding financial year. The accumulated loss is more than the networth of the Company.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders and therefore Clause 4 (xi) of the Order is not applicable to the Company.







## WOODSIDE PARKS LIMITED

- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities and therefore Clause 4 (xii) of the Order is not applicable to the Company.
- xiii) In our opinion the Company is not a Chit Fund, Nidhi or Mutual Benefit Fund / Society and therefore Clause 4 (xiii) of the Order is not applicable to the Company.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures or other investments and therefore Clause 4 (xiv) of the Order is not applicable to the Company.
- xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions and therefore Clause 4 (xv) of the Order is not applicable to the Company.
- xvi) The Company has not availed any term loan during the year and therefore Clause 4 (xvi) of the Order is not applicable to the Company.
- xvii) The Company has not raised any fund on short term basis during the year for using the same for long term investment and therefore Clause 4 (xvii) of the Order is not applicable to the Company.
- xviii) The Company has not made any preferential allotment of shares to companies, firms or parties covered in the register maintained under Section 301 of the Companies Act, 1956 and therefore Clause 4 (xviii) of the Order is not applicable to the Company.
- xix) The Company has not issued any debentures and therefore Clause 4 (xix) of the Order is not applicable to the Company.
- xx) The Company has not raised any money by public issue during the year and therefore Clause 4 (xx) of the Order is not applicable to the Company.
- xxi) According to the information or explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Kolkata  
Dated : May 21, 2009

For Kabiraj & Co.  
*Chartered Accountants*  
S. KABIRAJ  
*Partner*  
*Membership No. 50879*





## WOODSIDE PARKS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule No.	As at 31st March, 2009		As at 31st March, 2008	
		Rs. '000	Rs.'000	Rs. '000	Rs. '000
<b>SOURCES OF FUNDS</b>					
Shareholders' Funds					
Capital	I	2,20,00		2,20,00	
Reserves & Surplus	II	<u>1</u>	2,20,01	<u>1</u>	2,20,01
Loan Funds					
Unsecured Loans	III		3,04,09		3,12,05
Total			<u>5,24,10</u>		<u>5,32,06</u>
<b>APPLICATION OF FUNDS</b>					
Fixed Assets					
Gross Block	IV	—		45	
Less : Depreciation		<u>—</u>	—	<u>45</u>	—
Current Assets, Loans & Advances					
Sundry Debtors		19,05		19,05	
Cash and Bank Balances	V	1,13		10,81	
Loans and Advances	VI	<u>9,79</u>		<u>10,17</u>	
			29,97		40,03
Less : Current Liabilities & Provisions					
Liabilities	VII	3,42		3,54	
Provisions		<u>1,20</u>		<u>1,43</u>	
			4,62		4,97
Deferred Tax					
Deferred Tax Liability		—		31,69	
Net Current Assets			25,35		3,37
Profit and Loss Account			4,98,75		5,28,69
Total			<u>5,24,10</u>		<u>5,32,06</u>
Notes on Accounts	IX				

The Schedules referred to above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our Report of even date.

For KABIRAJ & CO.  
*Chartered Accountants*

Kolkata, 21st May, 20095

S. KABIRAJ  
*Partner*

M. R. PASARI }  
K. K. BAHETI } *Directors*





## WOODSIDE PARKS LIMITED

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule No.	31st March, 2009 Rs. '000	31st March, 2008 Rs. '000
<b>INCOME</b>			
Sale of assets		—	1,36,01
Interest		3	—
		<u>3</u>	<u>1,36,01</u>
<b>EXPENDITURE</b>			
Cost of assets		—	1,17,54
Expenses	VIII	2,01	1,00
Interest		—	18
Depreciation		—	6,19
		<u>2,01</u>	<u>1,24,91</u>
Profit/(Loss) before Taxation		(1,98)	11,10
Less : Provision for Taxation			
Current		—	1,43
Deferred tax reversed		<u>(31,69)</u>	<u>(2,10)</u>
		29,71	11,77
Add : Excess provision for I. T. for earlier year		23	—
Loss brought forward		(5,28,69)	(5,40,46)
Loss carried forward		<u>(4,98,75)</u>	<u>(5,28,69)</u>

Notes on Accounts

IX

The Schedules referred to above form an integral part of the Profit & Loss Account.  
This is the Profit & Loss Account referred to in our report of even date.

For KABIRAJ & CO.  
*Chartered Accountants*

Kolkata, 21st May, 2009

S. KABIRAJ  
*Partner*

M. R. PASARI }  
K. K. BAHETI } *Directors*





## WOODSIDE PARKS LIMITED

	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
<b>SCHEDULE I</b>		
<b>SHARE CAPITAL</b>		
Authorised		
1,000 11% Redeemable Cumulative Preference Shares of Rs. 100 each	1,00	1,00
1,49,90,000 Equity Shares of Rs. 10 each	14,99,00	14,99,00
	<u>15,00,00</u>	<u>15,00,00</u>
Issued and Subscribed		
22,00,001 Equity Shares of Rs. 10 each fully paid-up. Of these :	2,20,00	2,20,00
a) 22,00,001 shares are held by Williamson Magor & Co. Ltd., the holding company		
b) out of shares held under (a) 40,000 shares were allotted as fully paid up pursuant to a contract without payment being received in cash		
	<u>22,000</u>	<u>22,000</u>
 <b>SCHEDULE II</b>		
<b>RESERVES AND SURPLUS</b>		
Capital Redemption Fund	1	1
	<u>1</u>	<u>1</u>
 <b>SCHEDULE III</b>		
<b>UNSECURED LOANS</b>		
Interest accrued and due on loans from the Holding Company	1,98,00	2,05,96
Interest accrued and due on loans from others	1,06,09	1,06,09
	<u>3,04,09</u>	<u>3,12,05</u>





## WOODSIDE PARKS LIMITED

### SCHEDULE IV FIXED ASSETS

	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at 31st March 2008	Additions during the Year	Disposal/ Transfer during the Year	As at 31st March 2009	As at 31st March 2008	Provision for the Year	Deduction on account of disposal	As at 31st March 2009	As at 31st March 2009	As at 31st March 2008
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Land & Building	—	—	—	—	—	—	—	—	—	—
Office Equipment	45	—	—	45	45	—	—	45	—	—
<b>Total</b>	<b>45</b>	<b>—</b>	<b>—</b>	<b>45</b>	<b>45</b>	<b>—</b>	<b>—</b>	<b>45</b>	<b>—</b>	<b>—</b>
<i>Previous Year</i>	<i>1,26,87</i>	<i>—</i>	<i>1,26,42</i>	<i>45</i>	<i>3,14</i>	<i>6,19</i>	<i>8,88</i>	<i>45</i>	<i>—</i>	<i>—</i>

_____	_____
=====	=====
_____	_____
=====	=====
_____	_____
=====	=====





## WOODSIDE PARKS LIMITED

	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
<b>SCHEDULE VIII</b>		
<b>EXPENSES</b>		
Rates & Taxes	1,38	5
Filing Fee	3	2
Legal Charges	40	63
Auditors' Remuneration :		
For Statutory Audit	15	15
For Tax Audit	—	8
Office Expenses	3	4
Miscellaneous Expenses	2	3
	<u>2,01</u>	<u>1,00</u>

## SCHEDULE IX

### NOTES ON ACCOUNTS

#### 1. SIGNIFICANT ACCOUNTING POLICIES

- The Financial Statements have been prepared in accordance with the Accounting Standards specified under Section 211(3C) of the Companies Act, 1956 and relevant presentational requirements of the Companies Act, 1956.
  - Accounting Convention  
The financial statements have been prepared in accordance with historical cost convention.
  - Income and expenditure are accounted for on accrual basis.
2. Deferred tax has been accounted for in accordance with the requirements of Accounting Standard - 22 and as required by the said standard. This year Rs. 31.69 lacs as deferred tax asset has been adjusted with deferred tax liability.

Keeping in view the past trends and the prevailing condition, the management is of the view that adequate taxable income may not be available so as to set off the deferred taxable asset created on carry forward losses. Hence, deferred tax asset is not created out of carry forward losses.

3. Figures for the previous year have been re-arranged and re-grouped wherever necessary.

Kolkata, 21st May, 2009

M. R. PASARI }  
K. K. BAHETI } *Directors*





## WOODSIDE PARKS LIMITED

### PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956 (AS AMENDED) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details	<input type="text" value="3"/> <input type="text" value="4"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="0"/>	State Code <input type="text" value="2"/> <input type="text" value="1"/>
Balance Sheet Date	<input type="text" value="3"/> <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="9"/>	
II. Capital raised during the year (Amount in Rs. Thousands)		
	Public Issue <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Right Issue <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	Bonus Issue <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Private Placement <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)		
	Total Liabilities <input type="text"/> <input type="text"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="2"/>	Total Assets <input type="text"/> <input type="text"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="2"/>
Sources of Funds	Paid-Up Capital <input type="text"/> <input type="text"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/> <input type="text" value="0"/>	Reserve & Surplus <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="1"/>
	Secured Loans <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Unsecured Loans <input type="text"/> <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="9"/>
Application of Funds	Net Fixed Assets <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	Investments <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
	Net Current Assets <input type="text"/> <input type="text"/> <input type="text" value="2"/> <input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="5"/>	Misc. Expenditure <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
	Accumulated Losses <input type="text"/> <input type="text" value="4"/> <input type="text" value="9"/> <input type="text" value="8"/> <input type="text" value="7"/> <input type="text" value="5"/>	
IV. Performance of the Company (Amount in Rs. Thousands)		
	Turnover <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="3"/>	Total Expenditure <input type="text"/> <input type="text"/> <input type="text"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="1"/>
	Profit/Loss Before Tax <input type="text"/> <input type="text"/> <input type="text" value="(198)"/>	Profit/Loss After Tax <input type="text"/> <input type="text"/> <input type="text" value="(198)"/>
	Earning Per Share in Rs. <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Dividend rate % <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
V. Generic Names of principal Products	<input type="text" value="N"/> <input type="text" value="O"/> <input type="text" value="T"/> <input type="text"/> <input type="text" value="A"/> <input type="text" value="P"/> <input type="text" value="P"/> <input type="text" value="L"/> <input type="text" value="I"/> <input type="text" value="C"/> <input type="text" value="A"/> <input type="text" value="B"/> <input type="text" value="L"/> <input type="text" value="E"/>	
Products of Company	<input type="text" value="N"/> <input type="text" value="O"/> <input type="text" value="T"/> <input type="text"/> <input type="text" value="A"/> <input type="text" value="P"/> <input type="text" value="P"/> <input type="text" value="L"/> <input type="text" value="I"/> <input type="text" value="C"/> <input type="text" value="A"/> <input type="text" value="B"/> <input type="text" value="L"/> <input type="text" value="E"/>	
Item Code No. (ITC Code)	<input type="text" value="N"/> <input type="text" value="O"/> <input type="text" value="T"/> <input type="text"/> <input type="text" value="A"/> <input type="text" value="P"/> <input type="text" value="P"/> <input type="text" value="L"/> <input type="text" value="I"/> <input type="text" value="C"/> <input type="text" value="A"/> <input type="text" value="B"/> <input type="text" value="L"/> <input type="text" value="E"/>	
Product Description	<input type="text" value="N"/> <input type="text" value="O"/> <input type="text" value="T"/> <input type="text"/> <input type="text" value="A"/> <input type="text" value="P"/> <input type="text" value="P"/> <input type="text" value="L"/> <input type="text" value="I"/> <input type="text" value="C"/> <input type="text" value="A"/> <input type="text" value="B"/> <input type="text" value="L"/> <input type="text" value="E"/>	

Kolkata, 21st May, 2009

M. R. PASARI }  
K. K. BAHETI } *Directors*





# MAJERHAT ESTATES LIMITED

## DIRECTORS

K. K. BAHETI  
A. GUHA SARKAR  
D. PAL CHOUDHURY

## AUDITORS

SAMANTA & CO.  
*Chartered Accountants*

## BANKERS

UNITED BANK OF INDIA

## REGISTERED OFFICE

FOUR MANGOE LANE  
SURENDRA MOHAN GHOSH SARANI  
KOLKATA - 700 001.







## MAJERHAT ESTATES & DEVELOPERS LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2009

The Directors submit their Report and the Accounts of the Company for the year ended 31st March, 2009 :

#### FINANCIAL RESULTS

	Rs.
Profit/(Loss) for the year	(1,77,948)
Loss brought forward from previous year	<u>(56,64,683)</u>
Loss carried forward	<u>(58,42,631)</u>

#### DIRECTORS

Pursuant to the provisions of the Articles of Association of the Company Mr. A. Guha Sarkar retires by rotation and, being eligible, offers himself for re-appointment.

#### DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956

As stipulated in Section 217(2AA) of the Companies Act, 1956 your Directors confirm as under :

- (i) that in the preparation of the Annual Accounts, applicable accounting standards have been followed.
- (ii) that the accounting policies are consistently followed and applied to give a true and fair view of the state of affairs of the Company.
- (iii) that proper and sufficient care has been taken for the maintenance of accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company.
- (iv) that the Annual Accounts have been prepared on a going concern basis.

#### AUDITORS

Messrs. Samanta & Company, Chartered Accountants, the Auditors of the Company, retire and, being eligible, shall subject to Section 224(2) of the Companies Act, 1956 be re-appointed.

Since the Company is not engaged in manufacturing activity and had no transaction in foreign exchange, it has nothing to report pursuant to Section 217(1)(e) of the Companies Act, 1956 relating to conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo.

The Company did not have any employee during the period under review.

For and on behalf of the Board  
MAJERHAT ESTATES & DEVELOPERS LIMITED

K. K. BAHETI }  
A. GUHA SARKAR } Directors

Kolkata, 25th May, 2009





## MAJERHAT ESTATES & DEVELOPERS LIMITED

### AUDITORS' REPORT TO THE SHAREHOLDERS

1. We have audited the attached Balance Sheet of MAJERHAT ESTATES & DEVELOPERS LIMITED as at 31st March, 2009 and the annexed Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we give the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to the above, we report that :
  - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii) In our opinion, proper books of accounts have been kept by the Company as required by law so far as appears from our examination of those books.
  - iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - iv) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the requirements of the Accounting Standard referred to in Sub-Section 3C of section 211 of the Companies Act, 1956.
  - v) In our opinion, and based on information and explanations given to us, none of the Directors are disqualified as on 31st March 2009, from being appointed as Director in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
  - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India-
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009
    - ii) in the case of Profit & Loss Account, of the loss for the year ended on that date.

Place : Kolkata  
Date : 25th May, 2009

For SAMANTA & CO.  
*Chartered Accountants*  
S. K. SAMANTA  
*Proprietor*  
Membership No.9317





## MAJERHAT ESTATES & DEVELOPERS LIMITED

### ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 3 of the Auditors' Report of even date to the members of MAJERHAT ESTATES AND DEVELOPERS LIMITED on the Financial Statement for the year ended 31st March, 2009)

- 1) The Company has no Fixed Assets. Therefore clauses (i)(a), (i)(b), (i)(c) of Paragraph 4 are not applicable to the Company.
- 2) The Company does not have any Stock of inventory. Therefore clauses (ii)(a), (ii)(b), (ii)(c) of Paragraph 4 are not applicable to the Company.
- 3) The Company has taken unsecured loan from its Holding Company and the rate of interest and other terms and conditions of such loan are prima facie not prejudicial to the interest of the Company.
- 4) In our opinion, the company has an internal control system commensurate with its size and nature of its business. There has been no continuing failure to correct major weakness in internal control.
- 5) There have been no transactions that are needed to be entered in a register in pursuance of Sec. 301 of the Act. Therefore clauses (v)(a) and (v)(b) of Paragraph 4 are not applicable to the Company.
- 6) The Company has not accepted deposits from the public under the provisions of Sec. 58A and Sec. 58AA of the Act and the rules framed thereunder.
- 7) In our opinion, the internal audit system of the Company is commensurate with the size and nature of its business.
- 8) There is no amount outstanding as on 31st March, 2009 in respect of undisputed Income Tax, Sales Tax, Custom Duty and Excise Duty which was due for more than six months from the date they become payable.
- 9) The accumulated losses of the Company at the end of the Financial Year are less than 50% of its net worth and it has incurred cash losses during the financial year and in the financial year immediately preceding such financial year.
- 10) The Company does not default in repayment of dues to Financial Institution or Bank or debenture-holder. During the year the Company has not taken any loan from the Financial Institution or Bank or issued any debenture.
- 11) The Company has granted loans and advances and repayment of principal and interest are as per arrangement with the Company.
- 12) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other similar securities.
- 13) The Company has not dealt or traded in shares, securities, debentures and other investments during the year.
- 14) The Company has not obtained any term loans during the year.
- 15) In our opinion, no funds raised on short terms basis have been used for long term by the Company and vice versa.
- 16) The Company has not issued any shares and debentures during the year.
- 17) There is no case of fraud noticed or reported during the year on the basis of representation made by the Company.

Place : Kolkata  
Date : 25th May, 2009

For SAMANTA & CO.  
*Chartered Accountants*  
S. K. SAMANTA  
*Proprietor*  
Membership No.9317





## MAJERHAT ESTATES & DEVELOPERS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule No.	As at 31st March, 2009		As at 31st March, 2008	
		Rs.	Rs.	Rs.	Rs.
<b>SOURCES OF FUNDS</b>					
Shareholders' Funds					
Share Capital	I	3,00,00,000		3,00,00,000	
Unsecured Loan	II	16,69,13,684		16,69,13,684	
Total		<u>19,69,13,684</u>		<u>19,69,13,684</u>	
<b>Application of funds</b>					
Current Assets, Loans & Advances					
Cash & Bank Balances	III	1,32,990		1,74,177	
Other Current Assets	IV	9,09,319		9,09,319	
Loans & Advances	V	19,34,61,297		19,34,61,297	
		<u>19,45,03,606</u>		<u>19,45,44,793</u>	
Less : Current Liabilities & Provisions	VI	<u>34,32,553</u>		<u>32,95,792</u>	
Net Current Assets		19,10,71,053		19,12,49,001	
Profit & Loss Account		58,42,631		56,64,683	
Total		<u>19,69,13,684</u>		<u>19,69,13,684</u>	
Significant Accounting Policies & Notes on Accounts	VII				

The Schedules referred to above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our Report of even date.

For samanta & co.  
*Chartered Accountants*

Place : Kolkata  
Date : 25th May, 2009

S. K. SAMANTA  
*Proprietor*  
Membership No. 9317

K. K. BAHETI  
A. GUHA SARKAR } *Directors*





## MAJERHAT ESTATES & DEVELOPERS LIMITED

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule No.	31st March, 2009 Rs.	31st March, 2008 Rs.
<b>INCOME</b>			
Interest (Gross)		—	1,10,71,875
		<hr/>	<hr/>
		—	1,10,71,875
<b>EXPENDITURE</b>			
Filing Fee		2,500	2,056
Rates & Taxes		—	4,800
Bank Charges		60	152
Audit Fee		3,000	3,000
Legal & Professional		24,264	50,307
Interest		1,48,124	1,08,94,698
Miscellaneous Expenses		—	—
		<hr/>	<hr/>
		1,77,948	1,09,55,013
Profit / (Loss) before Taxation		(1,77,948)	1,16,862
Provision for Taxation		—	12,100
Profit / (Loss) after Taxation		(1,77,948)	1,04,762
Profit / (Loss) brought forward from previous year		(56,64,683)	(57,69,445)
Profit / (Loss) carried forward		<hr/> <hr/>	<hr/> <hr/>
		(58,42,631)	(56,64,683)
 Significant Accounting Policies & Notes on Accounts			
	VII		

The Schedules referred to above form an integral part of the Profit & Loss Account.

This is the Profit & Loss Account referred to in our Report of even date.

For samanta & co.  
*Chartered Accountants*

Place : Kolkata  
Date : 25th May, 2009

S. K. SAMANTA  
*Proprietor*  
Membership No. 9317

K. K. BAHETI  
A. GUHA SARKAR } *Directors*





## MAJERHAT ESTATES & DEVELOPERS LIMITED

	31st March, 2009 Rs.	31st March, 2008 Rs.
<b>SCHEDULE I</b>		
<b>SHARE CAPITAL</b>		
Authorised		
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued and Subscribed		
30,00,000 Equity Shares of Rs. 10/- each fully paid-up in cash (all the shares are held by Williamson Magor and Co. Limited - the Holding Company except 7 shares held by it along with its nominee).	3,00,00,000	3,00,00,000
	<u>3,00,00,000</u>	<u>3,00,00,000</u>
<b>SCHEDULE II</b>		
<b>UNSECURED LOAN</b>		
From Holding Company	9,73,65,000	9,73,65,000
Interest accrued and due	6,95,48,684	6,95,48,684
	<u>16,69,13,684</u>	<u>16,69,13,684</u>
<b>SCHEDULE III</b>		
<b>CASH AND BANK BALANCE</b>		
With Scheduled Banks		
On Current Account	1,32,990	1,74,177
	<u>1,32,990</u>	<u>1,74,177</u>
<b>SCHEDULE IV</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest Accrued on Deposits	5,70,319	5,70,319
Interest Receivable from others	3,39,000	3,39,000
	<u>9,09,319</u>	<u>9,09,319</u>
<b>SCHEDULE V</b>		
<b>LOANS &amp; ADVANCES</b>		
Advance recoverable in cash or in kind or for value to be received		
Considered good	17,81,50,000	17,81,50,000
Other Advances :		
Interest Receivable	1,15,80,177	1,15,80,177
Tax deducted at source	37,31,120	37,31,120
	<u>19,34,61,297</u>	<u>19,34,61,297</u>





## MAJERHAT ESTATES & DEVELOPERS LIMITED

	31st March, 2009 Rs.	31st March, 2008 Rs.
<b>SCHEDULE VI</b>		
<b>CURRENT LIABILITIES PROVISIONS</b>		
Current Liabilities		
Sundry Creditors	27,17,338	1,11,838
Interest Accrued	7,03,115	7,03,115
Tax deducted at source	—	24,68,739
Provisions		
Provision for Tax	12,100	12,100
	<u>34,32,553</u>	<u>32,95,792</u>

## SCHEDULE VII SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### (A) Significant Accounting Policies :

#### a) Accounting Convention

The accompanying financial statements have been prepared in accordance with historical cost convention.

#### b) Income and Expenditure :

Income and Expenditure are accounted for on accrual basis.

### (B) Notes on Accounts :

#### a) Loans and advance include deposit of Rs. 17,81,50,000/-.

#### b) The figures for the previous year have been rearranged and re-grouped wherever necessary.

#### c) Notes annexed to and form part of the Balance Sheet and Profit & Loss Account for the year ended 31st March, 2009.

#### d) Related Party disclosures :

Related parties with whom there were transactions during the year are listed below -

Holding Company - the Company is a wholly owned subsidiary of Williamson Magor & Co. Limited.

(Rupees)

Advance received during the year

—

Other payables outstanding

16,69,99,925

Signatures to Schedules I to VII

Place : Kolkata  
Date : 25th May, 2009

K. K. BAHETI }  
A. GUHA SARKAR } *Directors*





## MAJERHAT ESTATES & DEVELOPERS LIMITED

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI OF THE COMPANIES ACT, 1956

#### I. Registration Details

Registration No. 

5	9	5	6	9
---	---	---	---	---

 State Code 

2	1
---	---

Balance Sheet Date 

3	1
---	---

0	3
---	---

2	0	0	9
---	---	---	---

#### II. Capital raised during the year (Amount in Rs. Thousands)

##### Public Issue

				N	I	L
--	--	--	--	---	---	---

##### Bonus Issue

				N	I	L
--	--	--	--	---	---	---

##### Rights Issue

				N	I	L
--	--	--	--	---	---	---

##### Private Placement (Rs.)

				N	I	L
--	--	--	--	---	---	---

#### III. Details of Mobilisation and Development of Funds(Amount in Rs. Thousands)

##### Total Liabilities

Sources of Funds 

2	0	0	3	4	6
---	---	---	---	---	---

##### Paid-Up Capital (Rs.)

		3	0	0	0	0
--	--	---	---	---	---	---

##### Secured Loans

Application of Funds 

				N	I	L
--	--	--	--	---	---	---

##### Net Fixed Assets

				N	I	L
--	--	--	--	---	---	---

##### Net Current Assets

		1	9	1	0	7	1
--	--	---	---	---	---	---	---

##### Accumulated Losses

			5	8	4	2
--	--	--	---	---	---	---

#### IV. Performance of the Company (Amount in Rs. Thousands)

##### Total Income

				N	I	L
--	--	--	--	---	---	---

##### Loss before Tax

			1	7	8
--	--	--	---	---	---

##### Earning Per Share in Rs.

(0	.	0	6)
----	---	---	----

##### Total Assets

2	0	0	3	4	6
---	---	---	---	---	---

##### Reserves & Surplus

				N	I	L
--	--	--	--	---	---	---

##### Unsecured Loans

1	6	6	9	1	4
---	---	---	---	---	---

##### Investments

				N	I	L
--	--	--	--	---	---	---

##### Misc. Expenditure

				N	I	L
--	--	--	--	---	---	---

##### Total Expenditure

			1	7	8
--	--	--	---	---	---

##### Loss after Tax

		1	7	8
--	--	---	---	---

##### Dividend rate %

				N	I	L
--	--	--	--	---	---	---

#### V. Generic Names of Three principal Products/Services of the Company

N	O	T		A	P	P	L	I	C	A	B	L	E
---	---	---	--	---	---	---	---	---	---	---	---	---	---

Item Code

N	O	T		A	P	P	L	I	C	A	B	L	E
---	---	---	--	---	---	---	---	---	---	---	---	---	---

Product Description

N	O	T		A	P	P	L	I	C	A	B	L	E
---	---	---	--	---	---	---	---	---	---	---	---	---	---

Place : Kolkata  
Date : 25th May, 2009

K. K. BAHETI  
A. GUHA SARKAR } *Directors*







## AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

### REPORT OF THE AUDITORS TO THE BOARD OF DIRECTORS OF WILLIAMSON MAGOR & CO. LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS

- 1) We have audited the attached Consolidated Balance Sheet of Williamson Magor & Co. Limited ("the company"), its subsidiaries, associates and joint venture (collectively referred as "the Group") as at 31st March 2009, the Consolidated Profit and Loss Account of the Group for the year ended on that date annexed thereto, and the Consolidated Cash Flow Statement of the Group for the year ended on that date which we have signed under reference to this report. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) We did not audit the financial statements of the subsidiaries and a joint venture, whose financial statements reflect total assets of Rs 2683.34 lakhs as at 31st March, 2009 and total revenues of Rs 119.63 lakhs for the year ended 31st March, 2009 and net cash outflows amounting to Rs 11.26 lakhs for the year ended on that date and the financial statements of the associates whose financial statements reflect the group's share of profit of Rs. 3304.33 lakhs upto 31st March, 2009 and Rs. 2790.93 lakhs for the year ended on that date as considered in the consolidated financial statements.  
These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, joint venture and associates, is based solely on the reports of the other auditors.
- 4) We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21, "Consolidated Financial Statements", Accounting Standard 23, "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 "Financial Reporting of Interest in Joint Ventures" issued by The Institute of Chartered Accountants of India and on the basis of separate audited financial statements of Williamson Magor & Co. Limited and of its subsidiaries, associates and joint venture included in the consolidated financial statements.
- 5) On the basis of the information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements and consolidated financial statements of Williamson Magor & Co. Limited and its aforesaid subsidiaries and associates and joint venture, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2009;
  - b) in the case of Consolidated Profit and Loss Account, of the consolidated results of operation of the Group for the year ended on that date; and
  - c) in the case of Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

Kolkata, 30th June, 2009

PARTHA MITRA  
*Partner*  
Membership Number 50553  
For and on behalf of  
LOVELOCK & LEWES  
*Chartered Accountants*





## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2009

	Schedule No.	31st March, 2009		31st March, 2008	
		Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>I. SOURCES OF FUNDS</b>					
Shareholders' Funds					
Capital	I	10,95,64		10,95,64	
Reserves & Surplus	II	2,30,35,45	2,41,31,09	2,02,83,51	2,13,79,15
Loan Funds	III				
Secured Loans		1,00,71,84		1,18,70,13	
Unsecured Loans		64,91,24	1,65,63,08	23,25,67	1,41,95,80
Deferred Tax					
Deferred Tax Liability			—		31,69
Total			4,06,94,17		3,56,06,64
<b>II. APPLICATION OF FUNDS</b>					
Fixed Assets	IV				
Gross Block		93,18,89		90,63,16	
Less : Depreciation		20,20,74		18,66,47	
Net Block			72,98,15		71,96,69
Investments	V		2,25,50,06		1,87,55,14
Current Assets, Loans and Advances					
Inventories	VI	4,15		79	
Sundry Debtors	VII	2,05,32		3,78,93	
Other Current Assets	VIII	8,48,61		5,22,71	
Cash and Bank Balances	IX	2,65,65		2,73,95	
Loans and Advances	X	1,02,70,77		92,91,70	
		1,15,94,50		1,04,68,08	
Less : Current Liabilities and Provisions	XI				
Liabilities		6,74,59		6,88,16	
Provision		73,95		1,25,11	
		7,48,54		8,13,27	
Net Current Assets			1,08,45,96		96,54,81
Profit & Loss Account Debit Balance		—		20,75,82	
Less : General Reserve as per contra		—		20,75,82	
Total			4,06,94,17		3,56,06,64
Significant Accounting Policies	XVI				
Notes on Accounts	XVII				

The Schedules referred to above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our Report of even date.

PARTHA MITRA

*Partner*

Membership No. 50553

For and on behalf of

LOVELOCK & LEWES

*Chartered Accountants*

A. KHAITAN - *Director*

R. S. JHAWAR - *Director*

H. U. SANGHAVI - *Secretary*

Kolkata, 30th June, 2009



## CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	Schedule No.	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
<b>INCOME</b>			
Income from operation	XII	20,14,36	19,55,06
Other Income	XIII	6,37,30	3,72,39
		<u>26,51,66</u>	<u>23,27,45</u>
<b>EXPENDITURE</b>			
Expenses	XIV	6,67,91	12,47,05
Interest	XV	20,48,69	13,42,75
Depreciation (includes share of Joint Venture Rs.2,84 thousand, <i>previous year Rs.4,44 thousand</i> )		25,48	28,44
		<u>27,42,08</u>	<u>26,18,24</u>
Profit / (Loss) before Taxation		(90,42)	(2,90,79)
Provision for Taxation :			
Current Tax			
Current year		—	(1,55)
Earlier years (net of write back)		1,23,40	(24,08)
Deferred Tax (write back)		3,169	2,10
Fringe Benefit Tax			
Current year (includes share of Joint Venture Rs.1,54 thousand, <i>previous year Rs.Nil</i> )		(5,91)	(8,44)
Earlier years (net of write back)		26	—
Profit / (Loss) after Taxation		<u>59,02</u>	<u>(3,22,76)</u>
Share of earnings from Associates		<u>28,11,76</u>	<u>3,65,20</u>
		28,70,78	42,44
Balance brought forward from previous year		<u>(20,75,82)</u>	<u>(21,18,26)</u>
Un-appropriated balance carried forward		<u>7,94,96</u>	<u>(20,75,82)</u>
Basic and Diluted Earnings per share (Rs.)		26.20	0.39

Significant Accounting Policies XVI

Notes on Accounts XVII

The Schedules referred to above form an integral part of the Profit & Loss Account.  
This is the Profit & Loss Account referred to in our Report of even date.

PARTHA MITRA

*Partner*

Membership No. 50553

For and on behalf of

LOVELOCK & LEWES

*Chartered Accountants*

A. KHAITAN - *Director*

R. S. JHAWAR - *Director*

H. U. SANGHAVI - *Secretary*

Kolkata, 30th June, 2009



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	31st March, 2009 (Rs.'000)	31st March, 2008 (Rs.'000)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(loss) before tax and extraordinary items	(90,42)	(2,90,79)
Adjustment for :		
Depreciation	25,48	28,44
Profit on sale of investment	—	(1,89,06)
Dividend income on investments	(1,40,86)	(1,84,63)
Profit on disposal of fixed assets	—	(18,47)
Interest income	20,48,69	13,42,75
Provision for Doubtful debts	7,73	16,25
Provision for Doubtful debts advances	56	8,77
Provision for Farmer's Assistance	7,372	86,33
Provision for Diminution in Value of Investment	49,43	17,53
Provision for retirement benefit written back	(29,64)	—
Provision written back	(4,09)	(3,45,08)
Loss for assets Scrapped	—	1,65
Advance written off	—	96
Liabilities written back	(5,68,90)	(40)
Provision for retirement benefit	18,16	8,11
Loss on non conversion of share warrants	—	4,52,68
Interest on Income Tax Refund	(27,61)	(1,22,57)
Operating profit before working capital changes	13,62,25	8,12,47
Adjustment for :		
Inventories	(3,70)	12,27
Trade and other receivables	(29,50,96)	(29,51,47)
Trade payable	(64,71)	3,42,28
Provision for retirement benefit	(38,81)	(15,69)
Cash generated from operations	(16,95,93)	(18,00,14)
Interest received on refund of income tax	12,35	16,52
Direct tax refund (net)	1,63,89	52,12
Net cash from operating activities	(15,19,69)	(17,31,50)



	31st March, 2009 (Rs.'000)	31st March, 2008 (Rs.'000)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(18,41)	(57,11)
Sale of fixed assets	—	1,36,05
Dividend income on investments	1,40,86	1,84,63
Sale of investments	—	2,32,14
Purchase of investments	—	(30,02,00)
Net cash from investing activities	1,22,45	(25,06,29)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	10,00,00	55,00,00
Repayment of long term borrowings	(17,97,12)	(11,32,20)
Proceeds from short term borrowings	66,10,00	20,00
Repayment of short term borrowings	(29,35,00)	(5,00)
Proceeds from issue of shares of Joint Venture (including share premium)	4,26,18	1,32,44
Interest paid	(19,08,21)	(11,36,14)
Net Cash used in financing activities	13,95,85	33,79,10
Net increase/ (decrease) in cash and cash equivalents	(1,39)	(8,58,69)
Cash and cash equivalents (Opening Balance)	2,73,95	11,32,64
Less : Cash attributable to reduction in share of joint venture from previous year	691	—
Cash and cash equivalents (Closing Balance)	2,65,65	2,73,95

Notes to the Cash Flow Statement for the year ended 31st March, 2009 :

1. Cash and Cash equivalents represent cash and bank balances only.
2. The above cashflow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
3. Previous year's figures have been rearranged and regrouped wherever necessary.

This is the Cash Flow Statement referred to in our Report of even date.

PARTHA MITRA

*Partner*

Membership No. 50553

For and on behalf of  
LOVELOCK & LEWES  
*Chartered Accountants*

A. KHAITAN - *Director*  
R. S. JHAWAR - *Director*  
H. U. SANGHAVI - *Secretary*

Kolkata, 30th June, 2009



	31st March, 2009 Rs.'000	<i>31st March, 2008</i> <i>Rs.'000</i>
<b>SCHEDULE I</b>		
<b>SHARE CAPITAL</b>		
Authorised –		
125,000 Preference Shares of Rs. 100/- each	1,25,00	<i>1,25,00</i>
23,750,000 Equity Shares of Rs.10/- each	23,75,00	<i>23,75,00</i>
	<u>25,00,00</u>	<u><i>25,00,00</i></u>
Issued and Subscribed –		
1,09,56,360 Equity Shares of Rs. 10/- each fully paid-up	10,95,64	<i>10,95,64</i>
Of these —		
a) 14,99,930 Shares were allotted as fully paid-up pursuant to a contract without payment being received in cash ;		
b) 12,39,090 Shares were allotted as fully paid-up pursuant to a Scheme of Amalgamation sanctioned by the Court without payment being received in cash ; and		
c) 82,17,270 Shares were allotted as fully paid-up by way of Bonus Shares by capitalisation of Preference Share Capital Redemption Reserve, Capital Reserve and General Reserve	<u>10,95,64</u>	<u><i>10,95,64</i></u>



## SCHEDULE II RESERVES & SURPLUS

	General Reserve Rs. '000	Revaluation Reserve Rs. '000	Capital Reserve Rs. '000	Capital Redemption Reserve Rs. '000	Securities Premium Rs. '000	Statutory Reserve Rs. '000	Pension Reserve Rs. '000	Amalgamation Reserve Rs. '000	Total Rs. '000
Balance as per last account	113,34,95	64,09,05	14,32,94	1	1,32,44	29,35,68	45,00	69,26	223,59,33
Less : Withdrawal on account of depreciation on amount added on revaluation	—	1,31,24	—	—	—	—	—	—	1,31,24
Less : Withdrawal on account of depreciation on amount added on revaluation in associates	—	4,11,87	—	—	—	—	—	—	4,11,87
Add : Share of association on consolidation	2,98	—	36,52	1,44	83	5,95	—	—	47,72
Add : Share of Joint Venture on consolidation	—	—	—	—	3,39,70	—	—	—	3,39,70
<b>Total</b>	<b>113,37,93</b>	<b>58,65,94</b>	<b>14,69,46</b>	<b>1,45</b>	<b>4,72,97</b>	<b>29,41,63</b>	<b>45,00</b>	<b>69,26</b>	<b>222,03,64</b>
Add : Profit & Loss Account (Note 2)									8,31,81
<b>Balance as at 31.3.2009</b>									<b>230,35,45</b>

Notes :

1. Includes Rs.13,18,04 thousand and Rs.51,46 thousand arising out of consolidation with subsidiaries and associates respectively.
2. Includes Rs.36,86 thousand arising out of change in share of joint venture from the previous year and current year's share of loss of joint venture : Rs.89,89 thousand.



	31st March, 2009		31st March, 2008	
	Rs. '000	Rs.'000	Rs. '000	Rs. '000
<b>SCHEDULE III</b>				
<b>LOAN FUNDS</b>				
Secured Loans				
Term Loans				
Other than Banks	1,00,71,84		1,18,68,96	
Interest accrued and due	—	1,00,71,84	1,17	1,18,70,13
		<u>1,00,71,84</u>		<u>1,18,70,13</u>

Notes : The above includes :

- i) loans from HDFC secured by way of
  - mortgage of certain immovable properties of the Company
  - pledge of shares of Eveready Industries India Limited (Refer Note 2 of Schedule V)
- ii) loans from IL&FS Financial Services Limited secured by way of
  - corporate guarantee from McLeod Russel India Limited
  - pledge of shares of Eveready Industries India Limited and shares of McLeod Russel India Limited (Refer Note 2 of Schedule V).
- iii) loans from ICICI Home Finance Ltd secured by way of
  - mortgage of certain immovable properties by way of a parri passu charge pending no objection certificate from HDFC
  - pledge of shares of McLeod Russel India Ltd., McNally Bharat Engineering Co. Ltd. and Kilburn Engineering Ltd. (Refer Note 2 of Schedule V)

Unsecured Loans				
Short Term Loans				
From Other than Banks	36,75,00		15,65,00	
Interest accrued and due	1,14,11	37,89,11	7,60,67	23,25,67
Other Loan				
From Other than Banks	25,65,00			
Interest accrued and due	1,37,13	27,02,13		—
		<u>64,91,24</u>		<u>23,25,67</u>
		<u>1,65,63,08</u>		<u>1,41,95,80</u>

Share of Joint Venture included above Rs.Nil  
(previous year Rs.Nil)





## SCHEDULE IV FIXED ASSETS

	GROSS BLOCK AT COST OR VALUATION				DEPRECIATION			NET BLOCK	
	As at 31st March 2008 Rs. '000	Addition during the year Rs. '000	Disposal/ Adjustment during the year Rs. '000	As at 31st March 2009 Rs. '000	As at 31st March 2008 Rs. '000	Provision for the year Rs. '000	Deduction on account of disposal etc. Rs. '000	As at 31st March 2009 Rs. '000	As at 31st March 2008 Rs. '000
Goodwill	42,14	2,07,76	—	2,49,90	—	—	—	2,49,90	42,14
Land-Freehold	47,00,30	—	—	47,00,30	—	—	—	47,00,30	47,00,30
Buildings	40,95,25	—	—	40,95,25	17,20,94	1,37,50	—	18,58,44	23,74,31
Plant & Machinery	86,85	41,43	1,33	1,26,95	39,05	11,16	80	49,41	47,80
Motor Vehicles	31,11	2,49	4,45	29,15	13,30	4,23	1,01	16,52	17,81
Furniture & Fittings	70,33	4,74	1,67	73,40	61,37	3,04	64	63,77	8,96
Electric Installation	32,20	—	—	32,20	27,04	70	—	27,74	5,16
Water Supply	4,98	6,76	—	11,74	4,77	9	—	4,86	21
Total	90,63,16	2,63,18	7,45	93,18,89	18,66,47	1,56,72	2,45	20,20,74	71,96,69
Previous Year	91,32,32	99,25	1,68,41	90,63,16	17,43,93	1,67,48	44,94	18,66,47	71,96,69

### Notes :

- Goodwill includes Rs.2,49,90 thousand on account of 19.19% holding in the Joint Venture Company M/s. D1 Williamson magor Bio Fuel Limited as per proportionate consolidation principle. Goodwill arising out of consolidation of subsidiaries has been netted with provision on investments made in the books of the parent company.
- Land & Buildings and Plant & Machinery at certain locations were revalued several times in the past. Land & Buildings at two locations were revalued as at 31st March, 2001 on current cost basis and as such the net assets was written up by Rs.84,68,47 thousand and disclosed under Revaluation Reserve.
- Net Book Value as on 31st March, 2009 includes Rs.8,89 thousand (previous year Rs.11,69 thousand) representing share of Joint Venture.



## SCHEDULE V

## INVESTMENTS - LONG TERM

## Trade Investments

## Quoted

## Equity Shares - fully paid-up

	31st March, 2009		31st March, 2008	
	Nos.	Rs. '000	Nos.	Rs. '000
WPII Limited	80	1	80	1
Mcnally Bharat Engineering Company Limited.	1,887,247	16,96,88	919,247	3,00,15
§ The Standard Batteries Limited (Re. 0.50 each)	577,250	1,60,05	577,250	1,60,05
§ McLeod Russel India Limited (Rs. 5 each) (Refer Note 2 below)	11,771,645	67,87,55	11,771,645	67,87,55
Kilburn Chemicals Limited	855,000	4,42,16	855,000	4,42,16
Kilburn Office Automation Limited	89,000	10,62	89,000	10,62
Williamson Financial Services Limited	576,250	1,91,09	576,250	1,91,09

## Unquoted

## Equity Shares - fully paid-up

Dewrance Macneill & Company Limited (In Liquidation)	1,200,000	—	1,200,000	—
Kilburn Electricals Limited	14,000	1,40	14,000	1,40
Manor Travels Limited	12,000	1,20	12,000	1,20
Johnston Castings & Allied Industries Limited	2,500	—	2,500	—

## Other than Trade Investments

## Quoted

## Preference Shares - fully paid-up

Metal Box India Limited	20,00	66	20,00	66
Equity Shares - fully paid-up				
Essar Shipping Limited	3,00	33	3,00	33
J. J. Leasing & Hiring Limited	10,00	10	10,00	10
Marigold Glass Industries Limited (formerly Marigold Securities Ltd.)	75,00	1,13	75,00	1,13
Suryachakra Sea Foods imited	5,00,00	9,00	5,00,00	9,00

## Other than Trade Investments

## Unquoted

## Debenture Stock - Non-Redeemable

6½% Bengal Chamber of Commerce & Industry	24	24	24	24
5% Woodlands Medical Centre Ltd.	106,500	1,07	106,500	1,07
5% Woodlands Medical Centre Ltd.	1,39	9	1,39	9

## Preference Shares — fully paid-up

§ India General Navigation & Railway Company Limited (in Voluntary Liquidation)(Rs.424)	228	—	228	—
---	-----	---	-----	---

## Equity Shares

§ Arvindnagar Goodwill & Co-operative Housing Society Limited of Rs.50 each (Rs.250)	5	—	5	—
§ Seema Apartments Co-operative Housing Society Limited of Rs. 50 each	80	4	80	4
Kornafuli Association Limited	327	—	327	—
§ Rivers Steam Navigation Company Limited (Re.1)	135,810	—	135,810	—
Delhi Golf & Country Club Pvt.Limited.	45,000	45,00	45,000	45,00
Cosepa Fiscal Industries Limited	350,000	35,00	350,000	35,00
ABC Tea Workers Welfare Services	10,567	1,06	10,567	1,06
Gouripore Electric Supply Co.Limited (In Voluntary Liquidation)	3,000	—	3,000	—



## SCHEDULE V

## INVESTMENTS - LONG TERM (Continued)

	31st March, 2009		31st March, 2008	
	Nos.	Rs.'000	Nos.	Rs.'000
Investments in Associates				
Trade Investments				
Quoted				
\$ Eveready Industries India Limited (Refer to Note 2 below)	16,756,841	79,47,15	16,756,841	78,76,94
Kilburn Engineering Ltd. (Refer Note 2 below)	4,319,043	44,00,35	4,319,043	20,52,70
Unquoted				
Babcock Borsig Ltd. (Refer Note 2 below)	2,508,013	12,21,83	2,508,013	11,92,07
		229,54,01		191,09,66
Less : Provision for Diminution in value of investments		4,03,95		3,54,52
		2,25,50,06		1,87,55,14
Aggregate value of Quoted Investments		2,16,47,08		1,78,32,49
Unquoted Investments		13,06,93		12,77,17
		2,29,54,01		1,91,09,66
Market Value of Quoted Investments		1,22,39,45		1,79,90,84

Share of Joint Venture included above : Rs. Nil (*previous year Rs.Nil*)

## Notes :

- All shares except as indicated by \$ are of Rs.10 each fully paid-up.
- 1,41,70,753 shares of Eveready Industries India Limited, 110,69,339 shares of Mcleod Russel India Limited, 25,08,013 shares of Babcock Borsig Limited, 30,00,000 shares of Kilburn Engineering Limited and 9,00,000 shares of McNally Bharat Engineering Co. Limited have been pledged with banks and financial institutions against financial assistance taken by the Company and others.

## 3. Investments in Association

	31st March, 2009		31st March, 2008	
		Rs.'000		Rs.'000
Kilburn Engineering Ltd.				
Share in net assets on acquisition		14,46		14,46
Add : Goodwill		10,55,10		10,55,10
Cost of acquisition		10,69,56		10,69,56
Add: share in net assets after acquisition				
[ *share of profit of Rs.23,43,64 thousand for 2008-09 ( <i>previous year - Rs.8,88,72 thousand</i> )		33,30,79		9,83,14
		44,00,35		20,52,70
* Includes share of extraordinary items net of tax Rs.23,73,48 thousand ( <i>previous year Rs.8,42,75 thousand</i> )				
Babcock Borsig Limited				
Share in net assets on acquisition		2,62,77		2,62,77
Add : Goodwill		1,10,57		1,10,57
Cost of acquisition		3,73,34		3,73,34
Add: share in net assets after acquisition				
[ share of profit of Rs.20,83 thousand for 2008-09 ( <i>Previous year - loss Rs.53,65 thousand</i> )		8,48,49		8,18,73
		12,21,83		11,92,07
Eveready Industries India Limited				
Share in net assets on acquisition		1,40,67,17		1,40,67,17
Less : Capital Reserve		47,08,16		47,08,16
Cost of acquisition		93,59,01		93,59,01
Less : share in net assets after acquisition				
[ share of profit of Rs.4,47,29 thousand for 2008-09 ( <i>Previous year - loss Rs.4,69,87 thousand</i> )		14,11,86		14,82,07
		79,47,15		78,76,94



	31st March, 2009 Rs.'000	31st March, 2008 Rs. '000
<b>SCHEDULE VI</b>		
<b>INVENTORY - AT COST</b>		
Stock of Stores - share of joint venture	4,15	79
	<u>4,15</u>	<u>79</u>
<b>SCHEDULE VII</b>		
<b>SUNDRY DEBTORS</b>		
Unsecured		
Debts outstanding for a period exceeding six months		
Considered good	86,43	1,91,80
Considered doubtful	3,89,17	3,83,25
Other Debts - considered good	1,18,89	1,87,13
	<u>5,94,49</u>	<u>7,62,18</u>
Less : Provision for Doubtful Debts	3,89,17	3,83,25
	<u>2,05,32</u>	<u>3,78,93</u>
Share of Joint Venture included above : Rs.Nil ( <i>previous year: Rs.Nil</i> )		
<b>SCHEDULE VIII</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest Receivable -		
Considered good	8,48,61	5,22,71
Considered doubtful	3,62,37	4,58,87
	<u>12,10,98</u>	<u>9,81,58</u>
Less : Provision for Doubtful Receivables	3,62,37	4,58,87
	<u>8,48,61</u>	<u>5,22,71</u>
Share of Joint Venture included above : Rs.Nil ( <i>previous year: Rs.Nil</i> )		
<b>SCHEDULE IX</b>		
<b>CASH AND BANK BALANCES</b>		
Cash in hand	94	2,65
Cheques in hand	—	6,20
With Scheduled Banks -		
On Current Accounts	2,62,53	2,61,86
On Deposit Accounts	55	74
On Dividend Accounts	—	87
On Redeemed Preference Share Accounts	1,63	1,63
	<u>2,65,65</u>	<u>2,73,95</u>

Share of Joint Venture included above : Rs.8,13 thousand (*previous year: Rs.16,21 thousand*)



	31st March, 2009 Rs.'000	<i>31st March, 2008</i> <i>Rs. '000</i>
<b>SCHEDULE X</b>		
<b>LOANS AND ADVANCES</b>		
Unsecured and considered good unless mentioned otherwise		
Advances recoverable in cash or in kind or for value to be received - unsecured		
Considered good	29,55,11	43,31,42
Considered doubtful	8,57,89	8,30,63
Loans		
Considered good	65,31,00	42,00,00
Considered doubtful	2,10,00	2,10,00
Balance with Excise Authorities (considered doubtful)	12	12
Deposits - considered good	35,10	35,10
considered doubtful	68	68
Advance Tax (Net of Provision Rs.22,29,49 thousand) <i>(Previous Year Rs.23,33,84 thousand)</i>	7,49,56	7,25,18
	<u>113,39,46</u>	<u>103,33,13</u>
Less: Provision for Doubtful Advances	10,68,69	10,41,43
	<u>102,70,77</u>	<u>92,91,70</u>
Share of Joint Venture included above : Rs.6,35,95 thousand <i>(previous year: 6,39,45 thousand)</i>		
<b>SCHEDULE XI</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
Liabilities		
Sundry Creditors	84,81	81,81
Security Deposits	48,24	47,64
Other Liabilities	4,44,38	5,51,68
Interest Accrued but not due	97,16	7,03
	<u>6,74,59</u>	<u>6,88,16</u>
Share of Joint Venture included above : Rs.1,07,89 thousand <i>(previous year: 1,89,50 thousand)</i>		
Provisions		
For Retirement Benefits	73,38	1,23,67
Fringe Benefit Tax (Net of advance tax Rs.12,50 thousand) <i>(Previous Year Rs.13,50 thousand)</i>	57	1,44
	<u>73,95</u>	<u>1,25,11</u>
Share of Joint Venture included above : Rs.58 thousand <i>(previous year: Nil)</i>		



## SCHEDULE XII

## INCOME FROM OPERATIONS

* Maintenance Services	1,39,14	1,30,38
* Rental Income	1,39,83	1,31,89
* Other Consultancy Services	3,72,00	3,84,00
Dividends on Trade Investments	1,40,86	1,84,63
Interest on Inter Corporate Deposits	12,18,41	5,90,01
Interest on Bank Fixed Deposit	3	1
Profit on Sale of Long Term Investments	—	1,89,06
Provisions written back (Net of Bad Debts/ Advances written off of Rs.Nil, previous year Rs. 1,83,06 thousand )	4,09	3,45,08

31st March, 2009

Rs.'000

31st March, 2008

Rs.'000

20,14,36

19,55,06

\* Tax deducted at source

74,98

2,05,19

Share of Joint Venture included above : Rs.Nil (previous year: Rs.Nil)

## SCHEDULE XIII

## OTHER INCOME

Interest on Income Tax Refund

27,61 \*

1,22,57

Other Interest

—

1,10,72

Provision for retirement benefit written back

29,64 \*\*

—

Liabilities written back

5,68,90

40

Sale of assets (net)

—

18,47

Sale of manure/jatropha Plant

8,88

1,13,67

Miscellaneous Income

2,27

6,56

6,37,30

3,72,39

\* Includes Rs.15,26 thousand in respect of prior period

\*\* Written back of Rs.23,65 thousand in respect of prior period

Share of Joint Venture included above : Rs.8,88 thousand  
(previous year: Rs.12,028 thousand)

## SCHEDULE XIV

## EXPENSES

Salaries, Wages, Compensation and Bonus

53,98

1,22,21

Contribution to Provident and Other Funds

3,74

15,90

Pension and Gratuity

6,68

66

Establishment and General Expenses

43,56

44,61

Travelling Expenses

55,30

71,25

Workmen and Staff Welfare

30,21

40,78

Directors' Fees

6,80

6,00

Financial Charges

17,97

37,50

Insurance

15,86

16,13

Rent

9,71

8,64

Rates and Taxes

19,57

33,49

Legal &amp; Professional

91,32

54,72

Power and Fuel

39,14

35,15

Repair to Buildings

47,11

54,92

Repair to Machinery

1,38

1,58

General Repairs and Renewals

45,52

38,07

Audit Fee

7,14

5,57

Loss for Assets Scrapped/Disposed (net)

—

1,65

Consumption of Stores

25,70

13,45

Nursery &amp; Agro Facilitation Charges

2,96

47,41

Freight

12,82

14,84



## SCHEDULE XIV

## EXPENSES (Continued)

	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
Advance written off	—	96
Provision for Doubtful Debts	7,73	16,25
Provision for Doubtful Advance	56	8,77
Provision for Diminution in the value of Investments	49,43	17,53
Provision for Farmers Assistance	73,72	86,33
Loss on non conversion of share warrants	—	4,52,68
	<u>6,67,91</u>	<u>12,47,05</u>

Share of Joint Venture included above : Rs.1,77,23 thousand  
(previous year: Rs.2,00,12 thousand)

## SCHEDULE XV

## INTEREST

	31st March, 2009	31st March, 2008
Term Loans	20,44,05	13,42,30
Others	4,64	45
	<u>20,48,69</u>	<u>13,42,75</u>

Share of Joint Venture included above : Rs.2 thousand  
(previous year: Rs.2,18 thousand)

## SCHEDULE XVI

## SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2009

## 1. Principles of consolidation :

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21(AS 21) on Consolidated Financial statements, Accounting Standard 23 (AS 23) on Accounting for Investments in Associates and Accounting Standard 27 (AS 27) on Accounting for Investments in Joint Venture in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

- a) The consolidated financial statements pertain to Williamson Magor & Company Limited (the Company), its wholly owned subsidiaries and includes the share/ interest in its joint venture company and associate companies; the details of which are given below:

Name of the Company	Country of Incorporation	% of ownership interest held as on 31st March, 2009	% of ownership interest held as on 31st March, 2008
<b>Subsidiaries</b>			
Woodside Parks Limited	India	100%	100%
Majerhat Estates & Developers Limited	India	100%	100%
<b>Joint Venture</b>			
D1 Williamson Magor Bio Fuel Limited	India	19.19%	33.45%
<b>Associates</b>			
Babcock Borsig Limited	India	36.66%	36.66%
Kilburn Engineering Limited	India	32.11%	32.00%
Eveready Industries India Limited	India	23.05%	23.05%

- i) The financial statements of the holding Company and its subsidiaries have been combined on line by line basis by adding together the book value of like items of assets, liabilities, incomes and expenses, after eliminating the intra group balances and intra group



transactions. The Company's interest in its joint venture company, M/s D1 Williamson Magor Bio Fuel Limited has been consolidated using the proportionate consolidation method whereby a venture's share of each of the assets, liabilities, incomes and expenses of the jointly controlled entity is accounted for on a pro-rata basis.

- ii) The excess / (deficit) of the cost to the Company of its investments over its share in equity of the subsidiary companies and joint venture company as on date (or as near to the date as practicable) of takeover is recognised in the consolidated financial statements as goodwill / capital reserve.
  - iii) Investments in associates have been accounted for using the equity method whereby the investment is initially recorded at cost, identifying goodwill/ capital reserve as the case may be arising at the time of acquisition and adjusted thereafter for the post acquisition change in the Group's share of net assets.
  - iv) In applying the equity method, adjustments, being impracticable, have not been made in the financial statements of the associates.
  - v) The Financial statements of Babcock Borsig Limited, considered in the consolidated accounts, are drawn upto 30th September, 2008.
2. Basis of accounting
- The financial statements have been prepared in accordance with the historical cost convention as modified by revaluation of certain fixed assets.
3. Fixed assets and depreciation
- Fixed assets are stated at cost of acquisition or at revaluation on current cost basis, as relevant.
- Depreciation on fixed assets is provided on reducing balance method (except for assets at erstwhile Engineering Division which is on straight line method) in accordance with Schedule XIV of the Companies Act, 1956. Certain assets amounting to Rs. 348 thousand (Gross Block) of the joint venture and Rs. 445,552 thousand (Gross Block) of two associates is provided under straight line method/ or at the rates different from those provided in Schedule XIV of the Companies' Act, 1956.
- Additional charges of depreciation for the year on amount added on revaluation are withdrawn from Revaluation Reserve.
- An impairment loss, if any, is recognised when the carrying value of Fixed Assets exceeds their market value or value in use, whichever is higher.
- Profit or loss on disposal of fixed assets is recognised in the Profit and Loss Account.
4. Investments
- Investments which are of long term nature are stated at cost less amounts written off when directors are of the opinion that adjustment for any diminution, other than temporary, in the value thereof is necessary.
5. Inventories
- The holding company and its subsidiaries do not have any inventory. Inventories of the joint venture are valued at cost or net realisable value, whichever is lower, where cost comprises material costs and other costs incurred for bringing them to their present location / condition and are determined on FIFO method.
- Inventories of the associates are valued at lower of cost and net realisable value where cost is determined on weighted average cost method and in certain categories on FIFO method.
6. Income from investments and interest
- Dividend from investments is accounted for as and when right is established. Interest is accounted for on accrual basis, and guided by the Rules framed for Non Banking Financial Company by the Reserve Bank of India.
7. Services/ rental income
- These are accounted for based on business arrangements in existence.
8. Lease rent
- Lease incomes under operating lease are recognised in Profit & Loss account.





**9. Employee benefits**

Short term employee benefits : These are recognised at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.

Post Employment Benefit Plans: Contributions under Defined Contribution Plans are recognised on accrual basis as expenses for the year. In case of Defined Benefit Plans, the cost of providing the benefit is determined through actuarial valuation and charge is recognized in the books.

Actuarial gains and losses are recognised in the profit and loss account.

**10. Foreign currency transactions**

Foreign currency transactions are recorded at the rate of exchange prevailing on the transaction date and exchange difference resulting from settled transactions is adjusted in the profit and loss account.

**11. Borrowing Costs**

Borrowing costs, other than those on qualifying assets which are capitalised, are charged to Profit & Loss account.

**12. Taxes on income**

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets in respect of carried forward losses and/or unabsorbed depreciation are recognised only when it is virtually certain and in respect of other assets where there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**SCHEDULE XVII****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****1) Claims against the Company not acknowledged as debt**

	31st March 2009 Rs. '000	31st March 2008 Rs. '000
Claims against the Company not acknowledged as debt	93	<i>93</i>
<b>2) Contingent Liabilities for:</b>		
(a) Sales Tax matters under dispute	41,98 (Note i)	<i>41,98</i>
(b) Excise matters under dispute	7,11 (Note ii)	<i>7,11</i>
(c) Guarantees given for loans granted to companies within the group	6,84,47	<i>13,61,88</i>

The probable cash outflow in respect of matters (b), (c) and (d) above is not determinable at this stage.

Notes :-

( i ) Represents sales tax levied on income from license fees pending before the Commissioner of Commercial Taxes, West Bengal.

( ii ) Representing claim in respect of Interest on Excise Duty pending before the Hon'ble High Court at Chennai.







Changes in present value of defined benefit obligations during the year ended 31st March 2009.	Pension (Rs. '000)		Medical Insurance (Rs. '000)		Leave Encashment (Rs. '000)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Opening Present Value of obligation	76,21	89,55	29,10	29,69	18,36	12,01
Provision Written Back	(23,65)	—	(5,99)	—	—	—
Interest Cost	3,67	7,02	1,81	2,44	55	1,03
Current Service Cost	—	—	—	—	1	6
Benefits Paid	(13,42)	(13,82)	(2,41)	(1,87)	(22,98)	—
Actuarial loss (gain) on obligations	2,84	(6,54)	2,03	(1,16)	6,94	5,26
Closing Present Value of obligation	45,65	76,21	24,54	29,10	2,88	18,36

Changes in the fair value of plan assets during the year ended 31st March 2009	Pension (Rs. '000)	Medical Insurance (Rs. '000)	Leave Encashment (Rs. '000)
Opening Fair Value of Plan Assets	Not applicable	Not applicable	Not applicable
Expected Return on Plan Asset	as the Scheme	as the Scheme	as the Scheme
Contributions	is unfunded	is unfunded	is unfunded
Benefits Paid			
Actuarial gain on Plan Asset			
Closing Fair Value of Plan Asset			

Amount recognized in Balance Sheet	Pension (Rs. '000)		Medical Insurance (Rs. '000)		Leave Encashment (Rs. '000)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Present Value of obligation	45,65	76,21	24,54	29,10	2,88	18,36
Fair value of Plan Asset	—	—	—	—	—	—
Net Asset/(Liability) recognized in Balance Sheet	(45,65)	(76,21)	(24,54)	(29,10)	(2,88)	(18,36)
Expense recognized in Profit and Loss Account	Pension (Rs. '000) (Note i and iv)		Medical Insurance (Rs. '000) (Note ii and iv)		Leave Encashment (Rs. '000) (Note iii)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Provision Written Back	(23,65)	—	(5,99)	—	—	—
Current Service Cost	—	—	—	—	1	6
Interest Cost	3,67	7,02	1,81	2,44	55	1,03
Expected Return of Plan Asset	—	—	—	—	—	—
Actuarial loss/ (gain) recognized in the year	2,84	(6,54)	2,03	(1,16)	6,94	5,26
Expense / (gain) Recognized in statement of Profit / Loss	(17,14)	48	(2,15)	1,28	7,50	6,35





## Notes :

- i) Charge for the year included in Pension and Gratuity (Schedule XIII)
- ii) Charge for the year included in Workmen and Staff Welfare (Schedule XIII)
- iii) Charge for the year included in Salaries, Wages and Bonus (Schedule XIII)
- iv) Provision written back included in Other Income (Schedule XII)

Category of Plan Assets	Pension (Rs. '000)	Medical Insurance (Rs. '000)	Leave Encashment (Rs. '000)
	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded	Not applicable as the Scheme is unfunded

Principal Actuarial Assumptions	Pension (Rs. '000)		Medical Insurance (Rs. '000)		Leave Encashment (Rs. '000)	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Mortality Table	LICI 1994-96	LICI 1994-96	LICI 1994-96	LICI 1994-96	LICI 1994-96	LICI 1994-96
Superannuation Age	58	58	58	58	58	58
Early Retirement & Disablement	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29	10 Per Thousand P.A 6 above age 45 3 between 29 and 45 1 below age 29
Discount Rate	8	8.5	8	8.5	8	8.5
Inflation Rate	—	—	—	—	5.00	5.00
Return of Asset	—	—	—	—	—	—
Remaining Working Life	—	—	—	—	4	4
Formula Used	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method

The estimates of rate of inflation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment sphere.

Since the Company has adopted Accounting Standard 15 (Revised 2005) on Employee benefits during the previous year 2007-08 only figures for two financial years are available and disclosed.

There are no employees in the rolls of the subsidiaries.

The share of the company in respect of its joint venture, D1 Williamson Magor Bio fuel Limited is as follows :

	31st March, 2009 Rs. '000	31st March, 2008 Rs. '000
(i) Contribution to Provident Fund	69	—
(ii) Contribution to Superannuation Fund	67	—

D1 Williamson Magor Bio Fuel Limited has provided liability for gratuity and leave encashment under defined benefit plan on the basis of actuarial valuation which has been arrived at by using Projected Unit Credit Method and the discount rate used in such valuation is 8%.

D1 Williamson Magor Bio Fuel Limited - Joint Venture Company with Middlesbrough Oils UK Limited.



## 5. Disclosures in respect of related parties as defined in Accounting Standard(AS)-18 "Related Party Disclosures"

## a) Associate Companies :

Babcock Borsig Limited  
Metals Centre Limited  
Kilburn Engineering Limited  
Eveready Industries India Limited

## b) Key Management Personnel :

Mr. B M Khaitan  
Mr. Deepak Khaitan  
Mr. A Khaitan  
Mr. D Pal Choudhury

Nature of transactions	Year	Key Management Personnel		Total
		Associates	Personnel	
		Rs.'000	Rs.'000	Rs.'000
Dividend	2008-09	—	—	—
	2007-08	70,22	—	70,22
Rental Income	2008-09	9,60	—	9,60
	2007-08	2,40	—	2,40
Maintenance Services	2008-09	6,08	—	6,08
	2007-08	20	—	20
Other Consultancy Services	2008-09	2,52,00	—	2,52,00
	2007-08	2,64,00	—	2,64,00
Purchase of Investments	2008-09	—	—	—
	2007-08	17,781	—	17,781
Provision during the year	2008-09	4,12	—	4,12
	2007-08	6,76	—	6,76
Provision written back	2008-09	4,09	—	4,09
	2007-08	43,97	—	43,97
Inter Corporate Loan taken	2008-09	10,00,00	—	10,00,00
	2007-08	—	—	—
Interest on Inter Corporate Loan taken	2008-09	1,13,73	—	1,13,73
	2007-08	49,00	—	49,00
Sitting Fees	2008-09	—	1,40	1,40
	2007-08	—	1,20	1,20
Remuneration (Short term employee benefits)	2008-09	—	5,04	5,04
	2007-08	—	47,62	47,62





Nature of transactions	Year	Associates	Key Management Personnel	Total
		Rs.'000	Rs.'000	Rs.'000
Outstanding as on Balance Sheet date				
Investments	2008-09	1,08,01,91	—	1,08,01,91
	2007-08	1,08,01,91	—	1,08,01,91
Receivables				
Debtors	2008-09	1,14,18	—	1,14,18
	2007-08	2,93,72	—	2,93,72
Loans and Advances	2008-09	27,53	—	27,53
	2007-08	55,27	—	55,27
Provisions for Doubtful Debts	2008-09	4,12	—	4,12
	2007-08	1,23	—	1,23
Provision for Doubtful Advances	2008-09	—	—	—
	2007-08	5,53	—	5,53
Payables				
Inter Corporate Loan taken	2008-09	17,00,00	—	17,00,00
	2007-08	7,00,00	—	7,00,00
Interest on Inter Corporate Loan taken	2008-09	87,96	—	87,96
	2007-08	49,00	—	49,00
Guarantees	2008-09	6,20,97	—	6,20,97
	2007-08	12,98,39	—	12,98,39

#### 6. Earning Per Share (EPS)

	31st March, 2009	31st March, 2008
Profit/(Loss) after Tax as per Profit & Loss Account (Rs. thousand)	28,70,78	42,44
Average number of Equity Shares (Face Value Rs. 10 each)	1,09,56,360	1,09,56,360
Basic and Diluted EPS (in Rupees)	26.20	0.39

7. The Company has unabsorbed depreciation and carried forward business losses available for set off under Income Tax Act, 1961. However, in view of inability to assess future taxable income, the extent of deferred tax assets which may be adjusted in subsequent years is not ascertainable with virtual certainty at this stage, and accordingly in keeping with the requirement of Accounting Standard (AS) - 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India (ICAI) it has been decided to retain the deferred tax asset only to the extent of deferred tax liability resulting into a net deferred tax position of Rs. NIL.



	31st March, 2009 Rs. '000	31st March, 2008 Rs. '000
Deferred Tax assets and liabilities are attributable to the following items :		
Liabilities :		
Depreciation	1,04	43,62
In respect of subsidiaries	—	31,69
Assets :		
Unabsorbed Business Losses	10,15,85	10,18,20
Unabsorbed Depreciation	21,30	21,30
Unabsorbed Capital Losses	39,49	39,49
Tax effect of opening liability pursuant to Transitional provision of AS-15 (Revised 2005)	—	40,53
Recognised to the extent of Liability	1,04	43,62
	—	—

Deferred Tax liability provided in respect of a subsidiary in earlier years has been reversed in the current year.

- 8) The Company is registered as a Non Banking Financial Company and is primarily engaged in holding shares in its group companies. The company does not have any reportable segment as envisaged in AS 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.
- 9) Pursuant to the requirements of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, the Company has made an application to The Reserve Bank of India for relaxation of the requirements relating to concentration of investment. The Bank has not granted exemption from the norms and has advised the company to submit a time bound plan to reduce the exposures to the permissible limit. The Company is in the process of reorganizing its investment portfolio to comply with the said norms.
- 10) The figures for the previous year have been regrouped and re-arranged wherever necessary.

#### Signatures to Schedules I to XVII

Kolkata, 30th June, 2009

A. KHAITAN - *Director*  
R. S. JHAWAR - *Director*  
H. U. SANGHAVI - *Secretary*





Notes :

A series of 20 horizontal dashed lines provided for writing notes.

