

WILLIAMSON MAGOR & CO. LIMITED

ANNUAL REPORT
AND
ACCOUNTS
2011 - 2012



ESTD. 1868



CONTENTS

	Page
Board of Directors ...	3
Details of Williamson Magor Group, Subsidiary and Associate Companies ...	4
Financial Highlights ...	5
Report of the Directors ...	6
Corporate Governance ...	11
Report of the Auditors ...	22
Balance Sheet ...	26
Profit & Loss Account ...	27
Cash Flow Statement ...	28
Notes to the Financial Statements ...	30
Statement relating to the Subsidiaries ...	55
Consolidated Accounts with Schedules ...	56



(ii)



**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

KILBURN ENGINEERING LIMITED

McNALLY BHARAT ENGINEERING CO. LIMITED

WILLIAMSON FINANCIAL SERVICES LIMITED

BABCOCK BORSIG LIMITED

DUFFLAGHUR INVESTMENTS LIMITED

METALS CENTRE LIMITED

UNITED MACHINE CO. LIMITED

ICHAMATI INVESTMENTS LIMITED

THE STANDARD BATTERIES LIMITED

BORELLI TEA HOLDINGS LIMITED (U.K.)

PHU BEN TEA COMPANY LIMITED (VIETNAM)

RWENZORI TEA INVESTMENTS LIMITED

McLEOD RUSSEL UGANDA LIMITED

McLEOD RUSSEL MIDDLE EAST DMCC (DUBAI)



FIVE YEAR FINANCIAL SUMMARY

	2011-12	2010-11	2009-2010	2008-09	2007-08
Total Income	5,731.35	2,542.33	2,731.04	2,081.80	2,210.53
Expenses	4,830.59	2,529.90	3,062.78	2,558.39	2,294.75
Profit/(Loss) Before Taxation	900.76	12.43	(331.74)	(476.59)	(84.22)
Taxation - Current	350.00	—	—	—	—
- Earlier years (net of write back)	(34.14)	—	—	123.18	(24.08)
- Deferred	—	—	—	—	—
- Fringe Benefit Tax (net of write back)	—	(0.25)	1.79	(4.11)	(8.44)
Profit/(Loss) after Taxation	584.90	12.18	(329.95)	(357.52)	(116.74)
Transfer to Statutory Reserve	116.98	2.43	—	—	—
Retained Profits/(Loss)	467.92	9.75	(329.95)	(357.52)	(116.74)
Funds Employed	35,199.94	33,996.14	32,162.48	35,982.36	33,534.95
Employment of Funds					
Net Block of Fixed Assets	5,480.30	6,753.98	6,891.38	7,039.36	7,142.87
Investments	22,423.65	20,590.25	20,590.25	20,624.93	19,277.63
Net Current Assets	7,295.99	6,651.91	4,680.85	8,318.07	7,114.45



REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2012

The Directors have pleasure in presenting the Annual Report with the Audited Accounts of your Company for the year ended 31st March, 2012.

FINANCIAL RESULTS

(Rs. in Thousands)

	2011-2012	2010-2011
Profit before Depreciation and Interest	7,85,12	20,68,68
Less : a) Depreciation	16,00	18,52
b) Interest	28,42,35	20,37,73
Profit/(Loss) before Taxation	(20,57,39)	12,43
Exceptional item	29,58,15	—
Profit/(Loss) before Taxation	9,00,76	12,43
Tax Expense :		
Current Tax	3,50,00	—
Provision written back for earlier years (net)	(34,14)	—
Fringe Benefit Tax for earlier years (net of write back)	—	(25)
Profit/(Loss) after Taxation	5,84,90	12,18
Less : Transferred to Statutory Reserve	1,16,98	2,43
	4,67,92	9,75
Add : Transfer from Pension Reserve	45,00	—
Loss brought forward from previous years	(28,13,14)	(28,22,89)
Balance carried forward to Balance Sheet	(23,00,22)	(28,13,14)

OPERATIONS

The overall performance of the Company during the year under review was better than in the previous year. The total revenue from operations generated by the Company was Rs.27.58 crore as compared to Rs.19.41 crore in the previous year. The Company posted a net profit of Rs.5.85 crore as against Rs.12.18 lakhs earned in the previous year which can be attributed to the profit on sale of a portion of its immovable property, higher dividends on long term investments and higher interest income as compared to the previous year.

DIVIDEND

On account of the accumulated loss, 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.(D1WML) was incorporated under a 50:50 Joint Venture Agreement between the Company and D1 Oils Trading Ltd., U.K. to facilitate development of Jatropha Plantation under contract farming arrangements for production of bio diesel from Jatropha Oilseeds. Your Company presently holds 15.70% of equity capital in D1WML.

The plantation developed by the company under contract farming arrangements has been undergoing through initial gestation period at various levels of maturity. The farmers in North East are finding it difficult to maintain the plantation with excessive weed growth. In view of this the company has scaled down the level of activities in North East and abandoned the plantation in Tripura. The plantation in Jharkhand, though has delayed growth, is gradually becoming productive and there has been notable increase in



oilseed harvest. The company has focused its operation in Jharkhand.

In view of this the company has decided to process Jatropha Oilseed on third party installation and defer the investment in manufacturing facilities until the volume increased for commercial processing. Accordingly, the company has surrendered the land taken on lease from Assam Industrial Development Corporation, for factory in Industrial Growth Centre, Balipara, Assam.

The company has reduced its overhead cost to the present scale of operation to manage the plantation and the working capital with the fund available in the Company.

SUBSIDIARY COMPANIES

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies i.e. Woodside Parks Limited and Majerhat Estate & Developers Limited are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept for inspection at the Registered Office of the Company. A Statement containing brief financial details of the Subsidiary Companies is included in the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

As required under the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Company, its two subsidiaries, three Associate Companies namely Eveready Industries Limited, Kilburn Engineering limited and Babcock Borsig Limited and one Joint Venture Company DIWilliamson Magor Bio Fuel Limited prepared in accordance with the applicable Accounting Standards issued by The Institute of Chartered Accountants of India are attached.

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

Since the last report there has been no change in the Board of Directors of the Company. In accordance with Article 100 of the Articles of Association of the Company Messrs. D. Khaitan, T. R. Swaminathan and G. Momem 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 2012 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 with no material departures ;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates





that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period ;

- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;
- (iv) that the directors had prepared the annual accounts 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.

27th July, 2012
Kolkata

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 DEVELOPMENTS

The year 2011-12 was a year of unfulfilled expectations for the Indian Economy. The economy had witnessed slowdown in many sectors primarily on account of falling exports owing to the European economic crisis coupled with high rate of interest caused by steep inflationary trend and also unprecedented high price of crude oil in the Global Market. The Finance and Investment sectors like many other sectors have been adversely affected by both domestic and external factors. The companies operating in the investment and financial sector as also in the manufacturing sector had a difficult year on account of cost of funds being very high. The Stock Market remained weak for the major part of the year because of unfavourable investment climate along with significantly low inflow of foreign investment in the country. It is felt that the recent reduction of CRR and cutting of Repo Rate by 50 basis points by RBI to increase the liquidity was far below the requirement.

In an effort to maintain a balance between growth and inflation, RBI is seemingly more concerned about high inflation than slow rate of growth. The financial sector is eagerly waiting for the fall in inflation followed by the rate cut which is likely to help the sector regain its lost ground.

OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

The principal business of your Company is investing and lending of funds. Some of the investee companies are doing well and few have recommended higher dividends which should increase the income of your Company.

The Company being a Member of Credit Information Bureau (India) Limited ('CIBIL'), a credit information company pursuant to the Credit Information Companies (Regulation) Act, 2005 will be in a position to avail of the financial data of its other Members





who may be its lenders / borrowers (not being Group Companies). This will eventually minimise the Company's risk of operations. The Company is a part of the Williamson Magor Group possessing good infrastructure and carries a good reputation in the Corporate World.

The Company has considerable investments in the shares of a few Companies listed on the Stock Exchanges. The outlook for the Indian Equity Market is cloudy with the renewed Euro Zone debt crisis, policy inaction, high inflation, widening current account deficit and slow growth which continue to bother the stock market investors whose confidence is unlikely to improve in the immediate future.

However, as most of the investments held by your Company are on long term basis, any fall in the short term or medium term in the market is unlikely to have impact on your Company's operations.

OUTLOOK

The earnings of the Company in the current year are expected to improve on account of higher dividend expected to be declared by some of the investee companies and due to income from sale of a certain portion of its immovable property. Recovery of loans and interest is also expected to be better in the current year. However, higher interest cost may have a bearing on the profitability.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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 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 Revised 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.

27th July, 2012
Kolkata

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

FORM B

RESEARCH AND DEVELOPMENT	Nil
--------------------------	-----

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	Nil
--	-----

FOREIGN EXCHANGE EARNINGS & OUTGO

Total Foreign Exchange :

Earned	Nil
Outgo	Rs. 3.59 lakhs

27th July, 2012
Kolkata

For and on behalf of the Board

A. KHAITAN – Director
R.S. JHAWAR – Director





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. The 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 half 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 2012, six Board Meetings were held on 12.05.2011, 24.06.2011, 11.08.2011, 30.08.2011, 01.11.2011 and 30.01.2012 and the Annual General Meeting was held on 29.09.2011.

(iii) Particulars of Directors as on 31st March, 2012 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 29.09.2011	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	6	6	NO	5	—	1
MR. D. KHAITAN	NON-EXECUTIVE VICE-CHAIRMAN	6	3	NO	7	—	1
MR. A. KHAITAN	NON-EXECUTIVE	6	6	YES	7	1	2
MR. T.R. SWAMINATHAN	NON-EXECUTIVE & INDEPENDENT	6	6	YES	3	3	4
MR. R.S. JHAWAR	NON-EXECUTIVE	6	2	NO	7	1	4
MR. PADAM KUMAR KHAITAN	NON-EXECUTIVE	6	4	NO	10	3	5
DR. R. SRINIVASAN	NON-EXECUTIVE & INDEPENDENT	6	2	YES	6	3	8
MR. G. MOMEN	NON-EXECUTIVE & INDEPENDENT	6	5	YES	10	1	7
MR. B. BAJORIA	NON-EXECUTIVE & INDEPENDENT	6	5	YES	7	-	3
MR. H. M. PAREKH	NON-EXECUTIVE & INDEPENDENT	6	4	NO	8	4	8

(#) Including Chairmanship.

(*) 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 as on 31st March 2012 consisted of Mr. T.R. Swaminathan, Mr. Padam Kumar Khaitan, Dr. R. Srinivasan and Mr. H. M. Parekh. 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 2012 and the attendance of the Members is as follows:

Name of Member of the Audit Committee	Whether attended the Meetings held on				
	12.05.2011	24.06.2011	11.08.2011	01.11.2011	30.01.2012
MR. T. R. SWAMINATHAN	YES	YES	YES	YES	YES
MR. PADAM KUMAR KHAITAN	NO	YES	YES	YES	NO
DR. R. SRINIVASAN	NO	NO	NO	YES	YES
MR. H. M. PAREKH	YES	YES	NO	YES	NO

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 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 weaknesses, 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

i) Composition

The Remuneration Committee of the Board as on 31st March 2012 consisted of Dr. R. Srinivasan, Mr. T.R. Swaminathan, Mr. Padam Kumar Khaitan and Mr. B. Bajoria. 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.

ii) Attendance

One Meeting of the Remuneration Committee was held on 01.04.2011 during the financial year ended 31st March 2012 and the attendance of the Members is as follows :

Name of Member of the Remuneration Committee	Whether attended the Meeting held on 01.04.2011
Dr. R. SRINIVASAN	YES
MR. T. R. SWAMINATHAN	YES
MR. PADAM KUMAR KHAITAN	YES
MR. BHARAT BAJORIA	YES

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 2011-2012 to the Non-Executive Directors of the Company are as under :

Name of Director	Sitting Fees Paid (Rs.)		No. of Shares held as on 31.3.2012
	Board Meetings	Committee Meetings	
MR. B. M. KHAITAN	60,000	—	12,840
MR. D. KHAITAN	30,000	—	—
MR. A. KHAITAN	60,000	—	—
MR. T. R. SWAMINATHAN	60,000	80,000	2,340
MR. R. S. JHAWAR	20,000	—	—
MR. PADAM KUMAR KHAITAN*	40,000	60,000	—
DR. R. SRINIVASAN	20,000	30,000	—
MR. G. MOMEN	50,000	20,000	—
MR. B. BAJORIA	50,000	10,000	—
MR. H. M. PAREKH	40,000	30,000	—
TOTAL	4,30,000	2,30,000	

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



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 2011-2012, one complaint was received from the shareholder/investor. The complaint had been solved to the satisfaction of the complainant. The Company has acted upon all valid requests for share transfers received during 2011-2012 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 2012 and the attendance of the Members is as follows :

Name of Member of the Shareholders' Grievance Committee	Whether attended the Meetings held on	
	30.09.2011	31.03.2012
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 held are as under :

Financial Year	Date	Time	Venue
31.03.2009	28.08.2009	11.00 A.M.	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, 6, N. S. Road, Kolkata - 700 001
31.03.2010	29.09.2010	10.30 A.M.	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, 6, N. S. Road, Kolkata - 700 001
31.03.2011	29.09.2011	11.00 A.M.	Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, 6, N. S. Road, Kolkata - 700 001

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

b) No Special Resolution was required to be put through postal ballot in the last three years.

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.29 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 Business Standard and Aajkal (Vernacular).
- iii) The Company displays the financial results and certain other information on its web site : www.wmtea.com
- iv) 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 2011-2012**

Date and Time : 20th September 2012 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)	: Mid August 2012
First Quarter Results (30th June)	: Mid August 2012
Annual General Meeting	: Last week of September 2012
Second Quarter Results (30th September)	: Mid November 2012
Third Quarter Results (31st December)	: Mid February 2013
Financial Reporting for the year ending 31st March 2013	: End May 2013
- iv) **Dates of Book Closure**

The Share Transfer Books and Register of Members of the Company will remain closed from 13th September 2012 to 20th September 2012 (both days inclusive).
- v) **Dividend**

The Board of Directors of the Company has not recommended any dividend for the year ended 31st March, 2012.
- 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 2012-2013 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

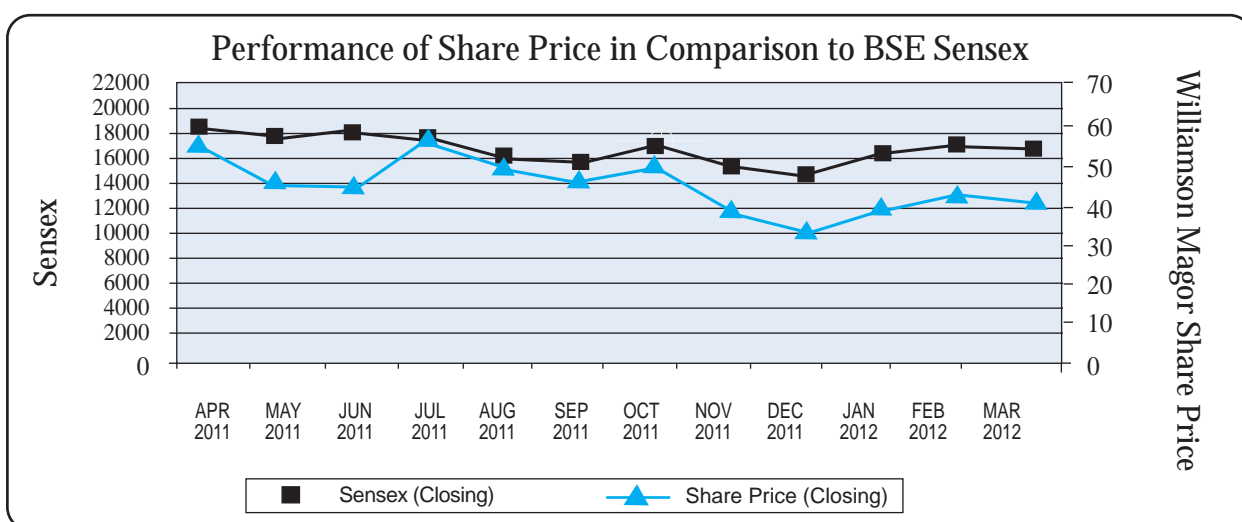


vii) Stock Price Data :

Month	BOMBAY STOCK EXCHANGE LTD.				NATIONAL STOCK EXCHANGE LTD.	
	High Rs.	Low Rs.	Share Price (closing) Rs.	Sensex (closing)	High Rs.	Low Rs.
April 2011	60.70	48.65	57.00	19135.96	59.85	48.45
May 2011	62.00	46.10	46.95	18503.28	57.40	46.25
June 2011	51.80	42.55	46.45	18845.87	56.05	40.05
July 2011	78.95	46.50	58.45	18197.20	78.40	46.20
August 2011	60.00	45.65	50.95	16676.75	60.75	46.45
September 2011	54.90	45.80	47.55	16453.76	55.00	45.15
October 2011	52.40	46.00	51.10	17705.01	52.85	45.05
November 2011	51.95	38.50	40.05	16123.46	52.50	38.25
December 2011	45.90	32.20	34.95	15454.92	45.00	32.60
January 2012	45.00	34.55	40.50	17193.55	44.10	33.95
February 2012	47.50	40.65	44.20	17752.68	47.00	40.55
March 2012	47.95	41.00	42.40	17404.20	47.00	40.25

viii) Performance in comparison to BSE Sensex :

Share Price Performance (April 2011 to March 2012)
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, 2nd 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, issue of duplicate share certificates, sub-division and consolidation to a Share Transfer Committee comprising Messrs. B.M. Khaitan, D. Khaitan, T.R. Swaminathan and R.S. Jhawar 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, 2012

Sr. No.	Category	No. of Shareholders	No. of Shares held	Percentage of holding
1	Promoters	4	6779203	61.87
2	Mutual Funds / UTI	—	—	—
3	Financial Institutions / Banks Insurance Companies	5	275853	02.52
4	Central / State Government(s)	—	—	—
5	FII's	—	—	—
6	Bodies Corporate	240	505097	04.61
7	NRIs / OCBs	51	111627	01.02
8	Resident Individuals	7781	3284179	29.98
9	Clearing Member	5	401	00.00
	Total	8086	10956360	100.00

x(b) Distribution of Shareholding as on 31st March, 2012

Size of holding	No. of holders	Percentage	No. of Shares	Percentage
1 to 500	7104	87.85	627807	05.73
501 to 1000	450	05.57	368282	03.36
1001 to 2000	278	03.44	416771	03.80
2001 to 3000	81	01.00	210029	01.92
3001 to 4000	49	00.61	173098	01.58
4001 to 5000	27	00.33	128916	01.18
5001 to 10000	51	00.63	371445	03.39
10001 and above	46	00.57	8660012	79.04
Total	8086	100.00	10956360	100.00

As on 31st March, 2012, 95.63% of the Company's total shares representing 10477284 Shares were held in the dematerialized form and the balance 4.37% representing 479076 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, 2012 has been placed before the Board at the Meeting held on 29th June 2012.

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 shareholding 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 : 033-2210-1221, 033-2243-5391, 033-2248-9434, 033-2248-9435
FAX : 91-33-2248-3683, 91-33-2248-8114
E-mail : administrator@wmg.co.in

ii) Appointment of Common Agency for Share Registry Work :

In accordance with the SEBI directive vide Circular Nos.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 E-mail Id : mdpl@cal.vsnl.net.in

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

27th July 2012
Kolkata

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, 2012.

Kolkata, 27th July, 2012

D. PAL CHOUDHURY
Manager



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 March 31st 2012, 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.

For LOVELOCK & LEWES
Firm Registration No - 301056E
Chartered Accountants

27th July 2012
Kolkata

(P. Law)
Partner
Membership No. 51790



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

1. We have audited the attached Balance Sheet of Williamson Magor & Co. Limited (the "Company") as at 31st March, 2012 and the related Profit and Loss Statement 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 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 (Auditors' Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amendment) Order, 2004 (together the "Order"), 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 a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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, the Profit and Loss Statement and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2012 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, 2012;



- (ii) in the case of the Profit and Loss Statement, of the profit 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.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants

(P. Law)
Partner
Membership No. 51790

Kolkata, 29th June, 2012

Annexure 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, 2012

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. The Company does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
- iii. (a) The Company has granted unsecured loan to two 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 aggregated to Rs. 928,000 thousand and Rs.573,000 thousand 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 parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as 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 had taken unsecured loans, from three 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 aggregated to Rs. 885,000 thousand and Rs. Nil respectively.
- (f) 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.
- (g) In respect of the aforesaid loans, the Company is regular in repaying the principal amounts, as stipulated, and is also regular in payment of interest, as applicable.



- iv. 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 for the sale of services. The Company's operations do not involve purchase of inventory and sale of goods and 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.
- v. According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
- vi. 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.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing during the year 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 and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty, as applicable, as at 31st March, 2012 which have not been deposited on account of a dispute, are as follows :

Name of the statute	Nature of dues	Amount (Rs. thousand)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Interest on Excise Duty	711	1987-88	Hon'ble High Court of Chennai
Finance Act, 1994	Service Tax, penalty and interest thereon	14,652 and interest thereon	2005-06, 2006-07, 2007-08, 2008-09	Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata
Finance Act, 1994	Service Tax, penalty and interest thereon	4,580 plus penalty and interest thereon	2004-05, 2005-06	Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata

- x. The accumulated losses of the Company did not exceed fifty percent of its net worth as at 31st March, 2012 and it has not incurred cash losses in the financial year ended on that date and or in the immediately preceding financial year.
- xi. 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 as at the balance sheet date. The Company has neither any outstanding dues to any banks or debenture holders at the beginning of the year nor has it obtained any such loans during the year. Therefore, the provisions of Clause 4(xi) of the Order are not applicable to the Company.



- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. 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. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has used funds raised on short-term basis aggregating to Rs.293,620 thousand for long-term investment (i.e. Non-current investments).
- xviii. 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. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. 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 any such case by the Management.

Kolkata, 29th June, 2012

For LOVELOCK & LEWES
Firm Registration No - 301056E
Chartered Accountants

(P. Law)
Partner
Membership No. 51790



BALANCE SHEET AS AT 31ST MARCH, 2012

	Note No.	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Equity and Liabilities			
Shareholders' Funds			
Share Capital	2	10,95,64	10,95,64
Reserves & Surplus	3	1,72,21,59	1,78,68,82
		<u>1,83,17,23</u>	<u>1,89,64,46</u>
Non-current Liabilities			
Long-term Borrowings	4	44,18,10	41,15,84
Other Long-term Liabilities	5	39,13	25,96
Long-term Provisions	6	32,37	28,30
		<u>44,89,60</u>	<u>41,70,10</u>
Current Liabilities			
Short-term Borrowings	7	1,01,70,00	81,45,00
Trade Payables	8	25,58	19,96
Other Current Liabilities	9	38,42,63	28,74,36
Short-term Provisions	10	33,56	24,90
		<u>1,40,71,77</u>	<u>1,10,64,22</u>
Total		<u><u>3,68,78,60</u></u>	<u><u>3,41,98,78</u></u>
Assets			
Non-current Assets			
Fixed Assets			
Tangible assets	11	54,80,30	67,53,98
Non-current Investments	12	2,24,23,65	2,05,90,25
Long-term Loans and Advances	13	41,21	31,41
		<u>2,79,45,16</u>	<u>2,73,75,64</u>
Current Assets			
Trade Receivables	14	1,28,15	1,39,27
Cash and Bank Balances	15	1,35,73	20,22,33
Short-term Loans and Advances	16	83,53,42	44,08,88
Other Current Assets	17	3,16,14	2,52,66
		<u>89,33,44</u>	<u>68,23,14</u>
Total		<u><u>3,68,78,60</u></u>	<u><u>3,41,98,78</u></u>

This is the Balance Sheet referred to in our report of even date.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 29th June, 2012

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



PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Note No.	Year ended 31st March, 2012 Rs.'000	Year ended 31st March, 2011 Rs.'000
Revenue from Operations	18	27,57,88	19,40,93
Other Income	19	15,32	6,01,40
Total Revenue		27,73,20	25,42,33
Expenses :			
Employee Benefits Expense	20	40,00	27,60
Finance Costs	21	28,42,35	21,38,83
Depreciation Expense	22	16,00	18,52
Other Expenses	23	19,32,24	3,44,95
Total Expenses		48,30,59	25,29,90
Profit/(Loss) before Exceptional Items and Tax		(20,57,39)	12,43
Exceptional Item	35	29,58,15	—
Profit before Tax		9,00,76	12,43
Tax Expense			
- Current tax		3,50,00	—
- Provision written back for earlier years (net)		(34,14)	—
- Fringe Benefit Tax for earlier years		—	25
- Deferred Tax		—	—
Profit for the year		5,84,90	12,18
Earnings per Equity Share (Nominal value per share Rs.10)	31		
Basic		5.34	0.11
Diluted		5.34	0.11

This is the Profit & Loss Statement referred to in our report of even date.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 29th June, 2012

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



CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	31st March, 2012 (Rs.'000)	31st March, 2011 (Rs.'000)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and exceptional items	(20,57,39)	12,43
Adjustment for :		
Depreciation	16,00	18,52
Profit on sale of investments	(5)	—
Provision for Doubtful debts	—	2,17
Provision for Doubtful advances	—	1,62
Provision for Diminution in Value of Investments (net)	13,97,75	—
Provision for Standard Assets	10,93	10,66
Provision for retirement benefit written back	—	(4,00)
Provision for doubtful debts/advances written back	(32)	(5,70,66)
Bad debts/advance/Deposit written off	1,22,58	1
Loss on Assets Scrapped	65	1,13
Liabilities written back	(1,00)	(7,47)
Provision for retirement benefits	11,40	3,07
Interest on Income Tax Refund	(4,90)	(7,91)
Operating profit/(loss) before working capital changes	(5,04,35)	(5,40,43)
Adjustment for :		
Trade and other receivables	(45,15,84)	(7,98,02)
Sundry Creditors and other liabilities	13,53,38	2,90
Provision for retirement benefits	(9,60)	(10,33)
Cash generated from operations	(36,76,41)	(13,45,88)
Interest received on refund of income tax	4,90	7,91
Direct tax & Fringe benefit tax refund (net)	71,03	83,30
Net cash used in Operating Activities	(36,00,48)	(12,54,67)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(1,83)	(70)
Sale of tangible assets (Exceptional Item-Refer Note-37)	29,84,87	—
Sale of non current investments	15	—
Purchase of non current investments	(32,31,25)	—
Net cash used in Investing Activities	(2,48,06)	(70)



	31st March, 2012 (Rs.'000)	31st March, 2011 (Rs.'000)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	75,00,00	55,00,00
Repayment of long term borrowings	(25,63,06)	(58,13,12)
Proceeds from short term borrowings	1,95,35,00	1,54,90,00
Repayment of short term borrowings	(2,25,10,00)	(1,32,65,00)
Net Cash from Financing Activities	19,61,94	19,11,88
Net increase/ (decrease) in cash and cash equivalents	(18,86,60)	6,56,51
Cash and cash equivalents (Opening Balance) [Note 15]	20,20,70	13,64,19
Cash and cash equivalents (Closing Balance) [Note 15]	1,34,10	20,20,70

Notes to the Cash Flow Statement for the year ended 31st March, 2012 :

1. Cash and Cash equivalents represent cash and bank balances only.
2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement.
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.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 29th June, 2012

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



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standard) Rules, 2006, as amended], the other relevant provisions of the Companies Act, 1956 and to the extent applicable, with the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 [NBFC Directions].

All assets and liabilities have been classified as current or non-current as per the criteria set out in the schedule VI to the Companies Act, 1956. Considering its nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

b) Tangible Assets

Tangible assets are stated at cost of acquisition and at revaluation on current cost basis for certain assets, net off accumulated depreciation and accumulated impairment losses, if any.

An impairment loss is recognized where applicable when the carrying value of tangible asset exceeds their net realisable value or value in use, whichever is higher.

Profit or loss on disposal of tangible assets is recognised in the Profit and Loss Statement.

c) Depreciation

Depreciation on tangible assets (other than Land Freehold) is provided on reducing balance 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.

d) Investments

Investments which are of long term nature are stated at costless amounts written off/provided for when the directors are of the opinion that diminutions other than temporary, in their carrying values have taken place.

e) Revenue Recognition

Operating Revenue :

Dividend income is recognized when right to receive dividend is established.

Interest income is generally recognized on a time proportion basis taking into account the amount outstanding and the rate applicable, when there is reasonable certainty as to realisation and guided by NBFC Directions.

Other operating revenue is recognised when there is reasonable certainty as to its realisation.

Service Income is accounted for based on business arrangements in existence on rendering of services.

Lease rental income under operating lease is recognised in Profit and Loss Statement.



f) Employee Benefits

Short term employee benefits :

These are recognised at the undiscounted amount in the profit and loss statement 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.

Incase 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 recognized immediately in the Profit and Loss Statement. The retirement benefit obligation provided in the Balance Sheet represents the present value of defined benefit obligations.

g) Foreign Currency Transactions

Foreign Currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. All monetary items are restated at the year-end at the closing rate.

h) Borrowing Cost

Borrowing costs relating to qualifying assets, if any, are added to the cost of such assets. Other borrowing costs are charged to Profit and Loss Statement.

i) Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period as per the applicable tax rates and laws.

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable incomes 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 carry forward losses and/or unabsorbed depreciation are recognised only when its virtually certain that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.

j) Provision and Contingent Liabilities

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past event, the existence of which will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 2

SHARE CAPITAL

Authorised –

23,750,000 (31st March, 2011 : 23,750,000) Equity Shares
of Rs.10/- each

125,000 (31st March, 2011 : 1,25,000) Preference Shares
of Rs. 100/- each

Issued and Subscribed and Fully Paid-up:

10,956,360 (31st March, 2011 : 10,956,360) Equity Shares
of Rs. 10/- each

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
	23,75,00	23,75,00
	<u>1,25,00</u>	<u>1,25,00</u>
	10,95,64	10,95,64
	<u><u>10,95,64</u></u>	<u><u>10,95,64</u></u>

(a) Term/rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

	31st March, 2012		31st March, 2011	
	No.	% holding	No.	% holding
Metals Centre Limited	50,36,629	45.97%	50,36,629	45.97%
United Machine Co. Limited	9,07,210	8.28%	9,07,210	8.28%
Ichamati Investments Private Ltd.	8,35,364	7.62%	8,35,364	7.62%



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3

RESERVES & SURPLUS

Capital Reserve

65,18

65,18

Revaluation Reserve

Balance as at the beginning of the year

64,50,89

65,69,35

Less: Withdrawal on account of depreciation

1,12,53

1,18,46

Less : Withdrawal on account of disposal
of revalued assets

11,19,60

—

Balance as at the end of the year

52,18,76

64,50,89

General Reserve [Refer (a) below]

1,17,52,22

1,17,52,22

Statutory Reserves [Refer (b) below]

Balance as at the beginning of the year

23,68,67

23,66,24

Add : Transferred from surplus in the Profit & Loss Statement

1,16,98

2,43

Balance as at the end of the year

24,85,65

23,68,67

Pension Reserve

Balance as at the beginning of the year

45,00

45,00

Less : Transfer to Surplus in the Profit and Loss Statement

45,00

—

Balance as at the end of the year

—

45,00

Surplus in the Profit and Loss Statement

Debit Balance at the beginning of the year

(28,13,14)

(28,22,89)

Profit for the year

5,84,90

12,18

Less : Transfer to Statutory Reserve

(1,16,98)

(2,43)

4,67,92

9,75

Transfer from Pension Reserve

45,00

—

Debit Balance at the end of the year

(23,00,22)

(28,13,14)

Total

1,72,21,59

1,78,68,82

(a) Represents a free reserve not meant for any specific purpose

(b) Created as per Section 45 IC of the Reserve Bank of India Act, 1934

NOTE 4

LONG-TERM BORROWINGS

Secured :

Term Loans

From other than banks

44,18,10

41,15,84

Total

44,18,10

41,15,84



NOTES TO THE FINANCIAL STATEMENTS

Nature of security and terms of repayment for secured borrowings :

	Outstanding Balance		Nature of Security	Terms of repayment
	31st March, 2012 Rs. '000	31st March, 2011 Rs. '000		
(a)	12,93,10	22,40,84	Mortgage of certain immovable properties of the Company and pledge of 3,200,000 shares of Eveready Industries India Limited and 135,000 shares of McLeod Russel India Limited	Repayable in 36 equated monthly instalments beginning from May 2011 amounting to Rs.10,362,909 along with interest payable monthly at applicable rates i.e. corporate prime lending rate of the lender plus/minus spread that will be applicable from time to time.
(b)	6,25,00	18,75,00	Pledge of shares of McLeod Russel India Limited and McNally Bharat Engineering Company Limited on pari passu basis with Babcock Borsig Limited, Williamson Financial Services Limited and Metals Centre Limited	Repayable in 8 equal quarterly instalments commencing at the end of 15 months from the date of disbursement of facilities along with monthly interest @ IL&FS LTBM R minus 475 bps and @ IFIN benchmark rate minus 50 bps respectively.
(c)	25,00,00	—	Pledge of shares of McLeod Russel India Limited and McNally Bharat Engineering Company Limited on pari passu basis with Babcock Borsig Limited, Williamson Financial Services Limited and Metals Centre Limited	Repayable in 8 equal quarterly instalments commencing at the end of 27 months from the date of disbursement of facilities along with monthly interest @ IL&FS LTBM R minus 475 bps and @ IFIN benchmark rate minus 50 bps respectively.

(d) The above outstanding amount does not include current maturities of long-term debt as mentioned in Note 9.

NOTE 5

OTHER LONG-TERM LIABILITIES

Security deposits taken against rental of properties

Total

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Security deposits taken against rental of properties	39,13	25,96
Total	<u>39,13</u>	<u>25,96</u>

NOTE 6

LONG-TERM PROVISIONS

Provision for employees Benefits (Refer Note 28)

Total

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Provision for employees Benefits (Refer Note 28)	32,37	28,30
Total	<u>32,37</u>	<u>28,30</u>



NOTES TO THE FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 7		
SHORT-TERM BORROWINGS		
Secured : Term loan from other than banks #	50,00,00	—
Unsecured : Inter Corporate loans	51,70,00	81,45,00
Total	1,01,70,00	81,45,00

Secured by mortgage of certain immovable properties of the Company and pledge of 3,200,000 shares of Eveready Industries India Limited and 135,000 shares of McLeod Russel India Limited as an extension to the security for the secured long-term loan (Refer Note 4)

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 8		
TRADE PAYABLES		
Trade payables (Refer Note 33)	25,58	19,96
Total	25,58	19,96

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 9		
OTHER CURRENT LIABILITIES		
Current maturities of Long-term borrowings (Refer Note 4)	22,02,13	25,67,45
Interest accrued and due	—	2,03,39
Interest accrued but not due	92,48	—
Unclaimed Redeemed Preference Shares	1,63	1,63
Advance from tenants	3,92	2,38
Advance for sale of property	14,01,48	1,50
Employee Liability	4	—
Statutory dues	1,31,11	88,57
Miscellaneous payables	9,84	9,44
Total	38,42,63	28,74,36

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 10		
SHORT-TERM PROVISIONS		
Provision for Employee Benefits (Refer Note 28)	11,97	14,24
Total	11,97	14,24
Other Provisions		
Contingent Provision against Standard Assets (Refer Note 36)	21,59	10,66
Total	33,56	24,90



NOTES TO THE FINANCIAL STATEMENTS
NOTE 11
FIXED ASSETS

PARTICULARS	GROSS BLOCK AT COST OR VALUATION			DEPRECIATION			NET BLOCK	
	As at 31st March, 2011 Rs. '000	Addition during the year Rs. '000	Disposal/ Adjustment during the year Rs. '000	As at 31st March, 2012 Rs. '000	For the year Rs. '000	Disposal/ Adjustment during the year Rs. '000	As at 31st March, 2012 Rs. '000	As at 31st March, 2011 Rs. '000
Tangible Assets	43,24,71	—	7,63,91	35,60,80	—	—	35,60,80	43,24,71
Land-Freehold	44,70,84	—	7,56,43	37,14,41	1,17,89	3,77,22	18,53,82	23,57,69
Buildings	1,11,09	—	1,79	1,09,30	7,73	1,74	59,54	57,54
Plant & Machinery	20,57	49	15,34	5,72	74	12,14	522	3,95
Motor Vehicles	22,94	1,29	4,95	19,28	41	4,79	17,94	62
Furniture & Fittings	17,72	5	15,15	2,62	42	14,78	2,28	1,08
Office Equipment	31,47	—	14	31,33	64	13	28,70	3,28
Electric Installation	11,74	—	1,46	10,28	70	1,39	5,94	5,11
Water Supply	90,11,08	1,83	15,59,17	74,53,74	1,28,53	4,12,19	19,73,44	54,80,30
Total	90,40,06	70	29,68	90,11,08	1,36,98	28,56	22,57,10	67,53,98
Previous Year								

Note :

Land and Buildings at one location was revalued several times in the past, latest on March 31, 2001 on current cost basis and as such the net assets were written up by Rs.84,28,19 thousand and included under Revaluation Reserve.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 12

NON-CURRENT INVESTMENTS - LONG TERM

(All shares unless otherwise stated are Rs.10 each fully paid-up)

Trade Investments (valued at cost unless otherwise stated)

(a) Quoted Equity Instruments

Investments in Associates:

Kilburn Engineering Limited

Eveready Industries India Limited (Rs. 5 each fully paid-up) [Refer (a) below]

Others :

WPIL Limited

McNally Bharat Engineering Company Limited [Net of provision for diminution in carrying amount - Rs 8,89,85 thousand (31st March, 2011 : Rs.Nil)] [Refer (a) below]

The Standard Batteries Limited (Re. 1 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.1,60,05 thousand (31st March, 2011 : Rs. 1,60, 05 thousand)]

McLeod Russel India Limited (Rs. 5 each fully paid-up) [Refer (a) below]

Kilburn Chemicals Limited [Net of provision for diminution in carrying amount - Rs.2,42,10 thousand (31st March, 2011 : Rs.1,04,44 thousand)]

Kilburn Office Automation Limited [Net of provision for diminution in carrying amount - Rs.7,70 thousand (31st March, 2011:Rs.7,70 thousand)]

Williamson Financial Services Limited

(b) Unquoted Equity Instruments Investment in Subsidiaries

Woodside Parks Limited [Net of provision for diminution in carrying amount - Rs.2,20,00 thousand (31st March, 2011 : Rs.2,20,00 thousand)]

Majerhat Estates & Developers Limited [Net of provision for diminution in carrying amount - Rs.59,46 thousand (31st March, 2011: Rs.58,84 thousand)]

Investment in Associate

Babcock Borsig Limited

Investment in Joint Venture

D1 Williamson Magor Bio Fuel Limited [Net of provision for diminution in carrying amount - Rs.3,70,88 thousand (31st March, 2011: Rs.Nil)]

	31st March, 2012		31st March, 2011	
	Nos.	Rs.'000	Nos.	Rs.'000
Kilburn Engineering Limited	4,319,043	10,69,56	4,319,043	10,69,56
Eveready Industries India Limited (Rs. 5 each fully paid-up) [Refer (a) below]	16,756,841	93,59,01	16,756,841	93,59,01
Others :				
WPIL Limited	80	1	80	1
McNally Bharat Engineering Company Limited [Net of provision for diminution in carrying amount - Rs 8,89,85 thousand (31st March, 2011 : Rs.Nil)] [Refer (a) below]	3,179,748	40,38,28	1,887,247	16,96,88
The Standard Batteries Limited (Re. 1 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.1,60,05 thousand (31st March, 2011 : Rs. 1,60, 05 thousand)]	288,625	—	288,625	—
McLeod Russel India Limited (Rs. 5 each fully paid-up) [Refer (a) below]	11,649,946	67,17,38	11,649,946	67,17,38
Kilburn Chemicals Limited [Net of provision for diminution in carrying amount - Rs.2,42,10 thousand (31st March, 2011 : Rs.1,04,44 thousand)]	855,000	2,00,06	855,000	3,37,72
Kilburn Office Automation Limited [Net of provision for diminution in carrying amount - Rs.7,70 thousand (31st March, 2011:Rs.7,70 thousand)]	89,000	2,92	89,000	2,92
Williamson Financial Services Limited	576,250	1,91,09	576,250	1,91,09
(b) Unquoted Equity Instruments Investment in Subsidiaries				
Woodside Parks Limited [Net of provision for diminution in carrying amount - Rs.2,20,00 thousand (31st March, 2011 : Rs.2,20,00 thousand)]	2,200,001	—	2,200,001	—
Majerhat Estates & Developers Limited [Net of provision for diminution in carrying amount - Rs.59,46 thousand (31st March, 2011: Rs.58,84 thousand)]	3,000,000	2,40,54	3,000,000	2,41,16
Investment in Associate				
Babcock Borsig Limited	2,508,013	3,73,33	2,508,013	3,73,33
Investment in Joint Venture				
D1 Williamson Magor Bio Fuel Limited [Net of provision for diminution in carrying amount - Rs.3,70,88 thousand (31st March, 2011: Rs.Nil)]	3,333,273	2,29,11	3,333,273	5,99,99



NOTES TO THE FINANCIAL STATEMENTS

NOTE 12

Non-current Investments - Long Term (Contd.)

Others :

Dewrance Macneill & Company Limited
(In Liquidation)

31st March, 2012		31st March, 2011	
Nos.	Rs.'000	Nos.	Rs.'000

1,200,000	—	1,200,000	—
-----------	---	-----------	---

Kilburn Electricals Limited [Net of provision for
diminution in carrying amount - Rs.1,40 thousand
(31st March, 2011: Rs.1,40 thousand)]

14,000	—	14,000	—
--------	---	--------	---

Manor Travels Limited

12,000	1,20	12,000	1,20
--------	------	--------	------

Johnston Castings & Allied Industries Limited
(In Liquidation)

2,500	—	2,500	—
-------	---	-------	---

Other than Trade Investments (valued at cost unless
stated otherwise)

(a) Quoted

Equity Instruments

J J Leasing & Hiring Limited [Net of provision for
diminution in carrying amount - Rs. Nil (31st March
2011: Rs.10 thousand)]

1,000	—	1,000	—
-------	---	-------	---

Marigold Glass Industries Limited [Net of provision
for diminution in carrying amount - Rs.1,13 thousand
(31st March, 2011: Rs.1,13 thousand)]

7,500	—	7,500	—
-------	---	-------	---

Suryachakra Sea Foods Limited [Net of provision for
diminution in carrying amount - Rs.9,00 thousand
(31st March, 2011: Rs. 9,00 thousand)]

50,000	—	50,000	—
--------	---	--------	---

Preference Shares

Metal Box India Limited - 6% Redeemable
Cumulative Preference Shares of Rs.100 each [Net
of provision for diminution in carrying amount
- Rs.66 thousand (31st March, 2011 : Rs.66 thousand)]

2,000	—	2,000	—
-------	---	-------	---

(b) Unquoted Equity Instruments

Woodlands Multispecialty Hospital Ltd. [Net of provision
for diminution in carrying amount - Rs.Nil (31st March,
2011: Rs.1,16 thousand)]

113,360	1,16	113,360	—
---------	------	---------	---

Arvindnagar Goodwill & Co-operative Housing Society
Limited (Rs.50 each fully paid-up) [Net of provision
for diminution in carrying amount - Rs.250 (31st March,
2011: Rs.250)]

5	—	5	—
---	---	---	---

Seema Apartments Co-operative Housing Society Limited
[Net of provision for diminution in carrying amount -
Rs.4 thousand (31st March, 2011: Rs.4 thousand)]

80	—	80	—
----	---	----	---

Kornafuli Association Limited

327	—	327	—
-----	---	-----	---



NOTES TO THE FINANCIAL STATEMENTS

NOTE 12

Non-current Investments - Long Term (Contd.)

	31st March, 2012		31st March, 2011	
	Nos.	Rs.'000	Nos.	Rs.'000
Rivers Steam Navigation Company Limited [Net of provision for diminution in carrying amount - Re.1 31st March, 2011: Re.1]	135,810	—	135,810	—
Delhi Golf & Country Club Pvt. Limited (Rs.100 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.45,00 thousand (31st March, 2011: Rs.45,00 thousand)]	45,000	—	45,000	—
Cosepa Fiscal Industries Limited [Net of provision for diminution in carrying amount - Rs.35,00 thousand (31st March, 2011:Rs.35,00 thousand)]	350,000	—	350,000	—
ABC Tea Workers Welfare Services [Net of provision for diminution in carrying amount - Rs.1,06 thousand (31st March, 2011: Rs.1,06 thousand)]	10,567	—	10,567	—
Gouripore Electric Supply Co.Limited [(Rs.100 each fully paid up) (In Voluntary Liquidation)]	3,000	—	3,000	—
Investment in Preference Shares				
India General Navigation & Railway Company Limited - 6% Cumulative Preference Shares (In voluntary liquidation) (Rs.2 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.424 (31st March, 2011: Rs.424)]	228	—	228	—
Investment in Debenture				
Bengal Chambers of Commerce and Industry - 6½% Non-redeemable debentures, of Rs.1000 each fully paid-up [Net of provision for diminution in carrying amount - Rs.24 thousand (31st March, 2011: Rs.24 thousand)]	24	—	24	—
		1,16		—
Total Investments		2,24,23,65		2,05,90,25
Aggregate amount of quoted investments		2,15,78,31		1,96,57,64
Market Value of quoted investments		3,96,28,25		4,51,42,57
Aggregate amount of unquoted investments		8,45,34		15,78,43
Aggregate provision for diminution in carrying amounts of investments		20,43,57		6,45,82

(a) # 3,200,000 shares of Eveready Industries India Limited, 1,940,570 shares of McLeod Russel India Limited, 1,875,000 shares of McNally Bharat Engineering Co. Limited have been pledged with banks and financial institutions against financial assistance taken by the Company and others.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 13

LONG-TERM LOANS AND ADVANCES

Unsecured

Security Deposits

- Considered good
- Considered doubtful

Less : Provision for Doubtful Deposits

Total

31st March, 2012
Rs.'00031st March, 2011
Rs.'000

NOTE 14

TRADE RECEIVABLES

Unsecured

Outstanding for a period exceeding six months from
the date they are due for payment

- Considered good
- Considered doubtful

Less : Provision for Doubtful Debts

Other Debts

- Considered good

Total

NOTE 15

CASH AND BANK BALANCES

Cash and cash equivalents

Cash in hand

Balances with Banks :

On current accounts

Other Bank Balances

Redeemed preference share account

Total

41,21

14

41,35

14

41,21

31,41

14

31,55

14

31,41

—

3,13,51

3,13,51

—

3,17

3,13,51

3,13,51

3,17

1,28,15

1,28,15

1,36,10

1,39,27

3,86

1,30,24

1,34,10

1,90

20,18,80

20,20,70

1,63

1,35,73

1,63

20,22,33



NOTES TO THE FINANCIAL STATEMENTS

NOTE 16

SHORT-TERM LOANS AND ADVANCES

Unsecured (Considered good unless otherwise stated)

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Loans and advances to Subsidiaries		
Considered doubtful	5,74,50	5,74,50
Less : Provision for doubtful loans and advances	5,74,50	5,74,50
	<u>—</u>	<u>—</u>
Loans and advances to Associates		
- Considered good	5,30	2,67
	<u>5,30</u>	<u>2,67</u>
Deposits with Government Authorities		
- Considered good	11,32	53,30
- Considered doubtful	18,90	18,90
Less : Provision for doubtful loans and advances	18,90	18,90
	<u>11,32</u>	<u>53,30</u>
Other Loans and Advances		
Inter Corporate Loans - considered good	81,00,00	36,55,00
Prepaid Expenses	4,72	1,12,03
Advances to employees		
- Considered good	1,95	1,17
- Considered doubtful	4,14	4,14
Less : Allowance for doubtful advances	4,14	4,14
	<u>1,95</u>	<u>1,17</u>
Advances to other parties		
- Considered good*	10,96	17,65
- Considered doubtful	3,71,73	3,72,06
Less : Allowance for doubtful advances	3,71,73	3,72,06
	<u>10,96</u>	<u>17,65</u>
Advance Income Tax (Net of provision of Rs.23,75,17 thousand; Previous Year - Rs.22,28,17 thousand)	2,17,17	5,65,06
Fringe Benefit Tax (Net of provision of Rs.11,27 thousand; Previous Year - Rs.11,27 thousand)	2,00	2,00
Total	<u><u>83,53,42</u></u>	<u><u>44,08,88</u></u>

* Loans and advances to others include Advance to a firm in which a director is a partner Rs.24 thousand (Previous Year: Rs.24 thousand)



NOTES TO THE FINANCIAL STATEMENTS

NOTE 17

OTHER CURRENT ASSETS

Unsecured

Interest receivable on deposits from subsidiaries

- Considered doubtful

Less : Provision for doubtful receivables

Interest receivable on deposits from others

- Considered good

- Considered doubtful

Less : Provision for doubtful receivables

Total

31st March, 2012
Rs.'000

4,09,99

4,09,99

—

3,16,14

3,48,55

3,48,55

3,16,14

3,16,14

31st March, 2011
Rs.'000

4,09,99

4,09,99

—

2,52,66

3,48,55

3,48,55

2,52,66

2,52,66

NOTE 18

REVENUE FROM OPERATIONS

Dividend on Long-term Investments

Interest Income

Other Operating Revenue

Maintenance Services

Rental of Properties

Other Consultancy Services

Total

8,46,40

12,82,87

1,89,44

2,35,17

2,04,00

27,57,88

6,51,43

7,71,57

1,03,99

89,94

3,24,00

19,40,93

NOTE 19

OTHER INCOME

Interest on Other deposits *

Profit on disposal of Long-term Investments

Interest on Income Tax/Fringe Benefit Tax Refund **

Provision for NPA written back

Provision for retirement benefit written back

Liabilities no longer required written back

Miscellaneous Income

Total

1,80

5

12,15

32

—

1,00

—

15,32

10,49

—

7,91

5,70,65

4,00

7,47

88

6,01,40

* Includes Rs.Nil in respect of prior period (Previous Year Rs.7,87 thousand)

** Includes Rs.7,25 thousand in respect of prior period (Previous Year Rs.Nil)



NOTES TO THE FINANCIAL STATEMENTS

NOTE 20

EMPLOYEES BENEFITS EXPENSE

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Salaries, Wages and Bonus	22,81	19,28
Contribution to Provident and other funds	1,86	1,58
Pension and Gratuity	10,55	20
Workmen and Staff welfare expenses	4,78	6,54
Total	40,00	27,60

NOTE 21

FINANCE COSTS

Interest Expense	27,80,23	20,37,73
Other Borrowing Costs	62,12	1,01,10
Total	28,42,35	21,38,83

NOTE 22

DEPRECIATION EXPENSE

Depreciation on Tangible Assets	1,28,53	1,36,98
Less : Recoupment from Revaluation Reserve	1,12,53	1,18,46
Total	16,00	18,52

NOTE 23

OTHER EXPENSE

Power and fuel	75,27	58,16
Rent	10,41	9,16
Repairs to building	34,06	33,13
Repairs to machinery	3,67	11,12
Repairs - others	66,45	48,39
Insurance	5,20	4,79
Rates and Taxes	61,66	26,28
Legal and Professional charges	49,97	54,08
Establishment and General Expenses (Refer Note 26)	61,06	52,84
Travelling and conveyance	32,58	30,87
Provision for Doubtful Debts	—	2,17
Contingent Provision for Standard Assets	10,93	10,66
Provision for Doubtful Advances	—	1,62
Margin Money Deposit Written off	—	55
Provision for Diminution in carrying amount of long-term investments	13,97,75	—
Loss on Disposal of Tangible assets	65	1,13
Advances written off	1,22,58	—
Total	19,32,24	3,44,95



NOTES TO THE FINANCIAL STATEMENTS

NOTE 24

CONTINGENT LIABILITIES

a) Claims against the Company not acknowledged as debt

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Sales tax matters under dispute (Note I)	—	41,98
Excise matters under dispute (Note II)	7,11	7,11
Service Tax matters under dispute (Note III)	1,92,32	1,28,81
Others	93	93

b) Guarantees given for loans granted to companies within the group

	63,50	63,50
--	-------	-------

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

Notes :

- Represents sales tax levied on income from license fees pending before Commissioner of Commercial Taxes, West Bengal. Provided in the current year.
- Representing claim in respect of Interest on Excise Duty pending before the Hon'ble High Court at Chennai.
- Representing demand as per Order issued by the Commissioner of Service Tax, Kolkata in respect of various service tax matters. The above includes penalty and interest for delayed payment of the taxes which have not been quantified in the order.

NOTE 25

EXPENDITURE IN FOREIGN CURRENCY

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Pension to Non-Residents	3,59	3,82
Total	<u>3,59</u>	<u>3,82</u>

NOTE 26

INCLUDED IN ESTABLISHMENT AND
GENERAL EXPENSES UNDER NOTE 23

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
As Auditors - Audit Fees	8,00	6,00
For Other Services		
Tax Audit Fees	1,75	1,75
Certifications, etc.	11,50	10,37
For Reimbursement of Expenses		
Out of Pocket Expenses @	<u>32</u>	<u>25</u>
@ Excluding Service Tax not routed through Profit and Loss Statement	2,23	1,90

NOTE 27

OPERATING LEASE

The Company has leasing arrangements in the nature of operating leases in respect of its premises for a period of 3 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 Note 18.



NOTES TO THE FINANCIAL STATEMENTS

NOTE 28

EMPLOYEE BENEFITS

I. Defined Contribution Plans

Total contribution to Defined Contribution Plans amount to Rs.1,86 thousand (Previous Year : Rs.1,59 thousand) included in Contribution to Provident and other Funds (Refer Note 20)

II. Defined Benefit Schemes

(a) Pension (Unfunded)

The Company has a practice of paying pension to certain categories of retired employees and in certain cases to their surviving spouses based on actuarial valuation at the end of each year.

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

The Company has a scheme of re-imburement of medical Insurance premium to certain categories of employees and their surviving spouses, upon retirement, based on actuarial valuation at the year end subject to a monetary limit.

(c) Gratuity

Gratuity benefits accrue to employees completing five years of service based on actuarial valuation at the end of the year with reference to their respective salaries and tenure of employment subject to a maximum limit of Rs.10 lakhs.

(d) Leave Encashment (Unfunded)

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 valuation in respect of Defined Benefit Schemes of the Company :

Changes in present value of defined benefit	Pension (Rs.'000)		Medical Insurance (Rs.'000)		Gratuity (Rs.'000)		Leave Encashment (Rs.'000)	
	31st March	31st March	31st March	31st March	31st March	31st March	31st March	31st March
	2012	2011	2012	2011	2012	2011	2012	2011
Opening Present Value obligation	14,77	26,81	25,54	25,20	55	35	1,68	1,43
Provision Written Back	—	—	—	—	—	—	—	—
Interest Cost	96	1,82	2,17	2,02	5	3	14	12
Current Service Cost	—	—	—	—	20	18	30	22
Benefits Paid	(7,12)	(8,04)	(2,48)	(2,28)	—	—	—	—
Actuarial loss (gain) on obligations	9,34	(5,82)	(1,70)	60	1	(1)	(7)	(9)
Closing Present Value of obligation	17,95	14,77	23,53	25,54	81	55	2,05	1,68

Expenses Recognized in Profit and Loss Account	Pension (Note @) (Rs.'000)		Medical Insurance (Note #) (Rs.'000)		Gratuity (Note @) (Rs.'000)		Leave Encashment (Note *) (Rs.'000)	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
	Provision Written Back	—	—	—	—	—	—	—
Current Service Cost	—	—	—	—	20	18	30	22
Interest Cost	96	1,82	2,17	2,02	5	3	14	12
Expected Return of Plan Asset	—	—	—	—	—	—	—	—
Actuarial loss (gain) on recognized in the year	9,34	(5,82)	(1,70)	60	1	(1)	(7)	(9)
Expense/(gain) Recognized in statement of Profit / Loss	10,30	(4,00)	47	2,62	26	20	37	25



NOTES TO THE FINANCIAL STATEMENTS

NOTE 28. EMPLOYEE BENEFITS (Contd.)

Principal Actuarial Assumptions	Pension (Rs.'000)		Medical Insurance (Rs.'000)		Gratuity (Rs.'000)		Leave Encashment (Rs.'000)	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Discount Rate	8.5	8	8.5	8	8.5	8	8.5	8
Inflation Rate	NA		NA		5	5	5	5
Return of Asset	—	—	—	—	—	—	—	—

Notes :

@ Charge for the year included in Pension and Gratuity (Note 20)

Charge for the year included in Workmen and Staff Welfare (Note 20)

* Charge for the year included in Salaries, Wages, Compensation and Bonus (Note 20)

Amount recognised in Balance Sheet	Pension (Rs.'000)					Medical Insurance (Rs.'000)					Gratuity (Rs.'000)					Leave Encashment (Rs.'000)				
	2011-12	2010-11	2009-10	2008-09	2007-08	2011-12	2010-11	2009-10	2008-09	2007-08	2011-12	2010-11	2009-10	2008-09	2007-08	2011-12	2010-11	2009-10	2008-09	2007-08
Present Value of obligation	17,95	14,77	26,81	45,65	76,21	23,53	25,54	25,20	24,54	29,10	81	55	35	—	—	2,05	1,68	1,43	2,88	18,36
Fair value of Plan Asset	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Net Asset / (Liability) recognised in Balance Sheet	(17,95)	(14,77)	(26,81)	(45,65)	(76,21)	(23,53)	(25,54)	(25,20)	(24,54)	(29,10)	(81)	(55)	(35)	—	—	(2,05)	(1,68)	(1,43)	(2,88)	(18,36)
Experience Adjustments	(7,68)	(7,03)	1,67	(5,68)	8,94	55	54	2,21	2,66	4,50	(2)	27	18	—	—	(11)	84	3,46	52	5,44

NOTE 29

RELATED PARTY DISCLOSURES :

(a) Names of Related Parties and nature of relationship :

a) Subsidiary Companies :

1) Woodside Parks Limited (WPL)

2) Majerhat Estates & Developers Limited (MEDL)

c) Joint Venture Company :

1) D1 Williamson Magor Bio Fuel Limited (D1WM)

d) Key Management Personnel : Mr. D Pal Choudhury

b) Associate Companies :

1) Kilburn Engineering Limited (KEL)

2) Eveready Industries India Limited (EIIL)

(b) Transactions / balances

Particulars	Year	Subsidiaries		Associates		Key Management Personnel
		Rs.'000		Rs.'000		Rs.'000
		WPL	MEDL	KEL	EIIL	
Transactions :						
Dividend	2011-12	—	—	1,07,98	83,78	—
	2010-11	—	—	64,79	83,78	—
Rental Income	2011-12	—	—	10,08	—	—
	2010-11	—	—	10,08	—	—



NOTES TO THE FINANCIAL STATEMENT

29. RELATED PARTY DISCLOSURES (Contd.)

Particulars	Year	Subsidiaries		Associates		Key Management Personnel
		Rs. '000		Rs. '000		Rs. '000
Transactions :		WPL	MEDL	KEL	EIIL	
Maintenance Services	2011-12	—	—	6,72	—	—
	2010-11	—	—	7,16	—	—
Other Consultancy Services	2011-12	—	—	24,00	1,80,00	—
	2010-11	—	—	24,00	1,80,00	—
Provision for debts/advances written back	2011-12	—	—	—	—	—
	2010-11	—	4,00,00	—	—	—
Recovery of Expenses	2011-12	—	—	3,99	50	—
	2010-11	—	—	—	—	—
Remuneration	2011-12	—	—	—	—	7,08
	2010-11	—	—	—	—	6,24
Balance as at year end :						
Investments	31st March, 2012	2,20,00	3,00,00	10,69,56	93,59,01	—
	31st March, 2011	2,20,00	3,00,00	10,69,56	93,59,01	—
Provision for Diminution in the value of Investments	31st March, 2012	2,20,00	59,46	—	—	—
	31st March, 2011	2,20,00	58,84	—	—	—
Inter Corporate Loan given	31st March, 2012	—	5,73,65	—	—	—
	31st March, 2011	—	5,73,65	—	—	—
Interest on Inter Corporate Loan given	31st March, 2012	74,42	3,29,27	—	—	—
	31st March, 2011	74,42	3,29,27	—	—	—
Trade Receivables	31st March, 2012	—	—	11,66	99,27	—
	31st March, 2011	—	—	17,78	99,27	—
Loans and Advances	31st March, 2012	—	85	1,93	3	—
	31st March, 2011	—	85	—	1,86	—
Provision for Doubtful Advances	31st March, 2012	—	5,74,50	—	—	—
	31st March, 2011	—	5,74,50	—	—	—
Provision for Other Current Assets	31st March, 2012	80,72	3,29,27	—	—	—
	31st March, 2011	80,72	3,29,27	—	—	—
Transactions/ Outstanding with Joint Venture:						(Rs. '000)
Recovery of Expenses	2011-12		2,52			
	2010-11		—			
Balance Outstanding Receivable/(Payable)	31st March, 2012		3,34			
	31st March, 2011		82			
Investment outstanding (At Cost)	31st March, 2012		5,99,99			
	31st March, 2011		5,99,99			
Provision for Diminution in the value of Investment	31st March, 2012		3,70,88			
	31st March, 2011		—			



THE FINANCIAL STATEMENTS

NOTE 30

DISCLOSURE AS PER ACCOUNTING STANDARD (AS)-27

“FINANCIAL REPORTING OF INTERESTS IN JOINT VENTURE”

Name	-	D1 Williamson Magor Bio Fuel Limited
Proportion Ownership Interest	-	15.70% (Previous Year - 16.07%)
Country of Incorporation	-	India

Company's Financial interest in Joint Venture:

Company's Financial Particulars	Proportionate interest in Joint Venture	
	31st March, 2012 Amount (Rs. '000)	31st March, 2011 Amount (Rs. '000)
Assets :		
Non-Current		
Tangible Assets (Net Block)	3,86	6,77
Long-term loans and advances	2,30,85	3,96,71
Current		
Inventory	2,85	2,61
Cash & bank Balances	3,46	19,49
Short-term loans and advances	<u>35,85</u>	<u>42,16</u>
Liabilities		
Non-Current		
Long-term provisions	—	47
Current		
Short-term borrowings	6,28	—
Other Current Liabilities	41,49	62,03
Short-term provisions	—	42
Income		
Other Income	1,05	5,10
Expenditure		
Expenses	1,50,91	1,23,63
Depreciation	<u>1,76</u>	<u>2,53</u>
	1,52,67	1,26,16



THE FINANCIAL STATEMENTS

NOTE 31

EARNINGS PER SHARE (EPS)

Net profit for the year has been used as the numerator and number of shares have been used as denominator for calculating the basic and diluted earnings per share

Particulars	31st March, 2012	31st March, 2011
A. BASIC		
i) Number of Equity shares at the beginning of the year	10,956,360	10,956,360
ii) Number of Equity shares at the end of the year	10,956,360	10,956,360
iii) Weighted average number of Equity Shares outstanding	10,956,360	10,956,360
iv) Face Value of each Equity Share	10	10
v) Profit / (Loss) after Tax for Equity Shareholders (Rs. '000)	5,84,90	12,18
vi) Basic Earnings / (Loss) Per share (v / iii) (Rs.)	5.34	0.11
B. DILUTED		
i) Number of Dilutive potential Equity Shares	—	—
ii) Diluted Earnings / (Loss) per Share (Rs.) [Same as A (vi) above]	5.34	0.11

NOTE 32

DEFERRED TAXATION	(Rs. '000)	(Rs. '000)
Deferred tax Liabilities		
Depreciation	31,71	35,75
Deferred tax Assets		
Unabsorbed Business Losses	10,02,64	17,92,58
Unabsorbed Depreciation	10,91	34,81
Unabsorbed Capital Losses	—	38,59
	<u>10,13,55</u>	<u>18,65,98</u>
Recognised to the extent of liability	<u>31,71</u>	<u>35,75</u>
Total Deferred Tax Asset	<u>—</u>	<u>—</u>

The Company has unabsorbed depreciation and carry 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 the deferred tax asset has been recognised only to the extent of deferred tax liability.

NOTE 33. 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.

NOTE 34. SEGMENT REPORTING

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".



NOTE 35. The Company has sold a portion of its immovable property comprising Land and Building during the year. Profit on sale of such property amounting to Rs.29,58,15 thousand (Previous Year : Nil) has been disclosed as Exceptional Item in the Profit and Loss Statement.

NOTE 36. Based on Notification no.DNBS.223/CGM(US)-2011 dated 17th January, 2011, provision has been made for standard assets at 0.25 percent of the balance of such assets as at 31st March, 2012 which has been disclosed separately as 'Contingent Provision against Standard Assets' in Note 10.

NOTE 37. 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 seeking extension for regularization of the requirements relating to concentration of investment and exposure norms in a phased manner. Accordingly the Company has sold certain shares to dilute its concentration of investments in the previous year to some extent and has recovered a substantial portion of its loan exposure during the year.

In the meantime the Reserve Bank of India vide its Notification No.DNBS(PD)CC. No.197/03.10.001/2010-11 dated 12th August, 2010 and No.DNBS(PD)CC. No.206/03.10.001/2010-11 dated 5th January, 2011 has come out with a new category of NBFC which is known as Systemically Important Core Investment Company. The Company is taking necessary steps for the conversion of its status from Systemically Important Non Deposit Taking Non Banking Financial Company to Systemically Important Non Deposit Taking Core Investment Company as a result of which the Company need not dilute its exposure in terms of Investments and Loans as mentioned above.

NOTE 38. PREVIOUS YEAR FIGURES

The financial statements for the year ended 31st March, 2011 had been prepared as per the then applicable pre-revised Schedule VI to the Companies Act, 1956. Consequent to the Notification to the Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified and regrouped to this year's classification and grouping.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 29th June, 2012

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



	(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) Other 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	
1. Quoted :	
(i) Shares : (a) Equity	22888.14
(b) Preference	0.66
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others	Nil
2. Unquoted :	
(i) Shares : (a) Equity	1578.18
(b) Preference	—
(ii) Debentures and Bonds	0.24
(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	(Rs. in lakh)		
	Amount net of provision		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related parties	—	114.29	114.29
2. Other than related parties	—	8724.63	8724.63
Total	—	<u>8838.92</u>	<u>8838.92</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	240.54	240.54
(b) Companies in the same group	—	—
(c) Other related parties	12,629.76	11,031.01
2. Other than related parties	35,469.28	11,152.10
Total	<u>48,339.58</u>	<u>22,423.65</u>

(7) Other Information

Particulars	Amount
(i) Gross Non-Performing Assets (a+b)	2,041.46
(a) Related parties	984.49
(b) Other than related parties	1,056.97
(ii) Net Non-Performing Assets (a+b)	—
(a) Related parties	—
(b) Other than related parties	—
(iii) Assets acquired in satisfaction of debt	—



Financial Year 2011-2012

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 (%)	42.16%	48.54%
ii) CRAR - Tier I Capital (%)	35.70%	39.40%
iii) CRAR - Tier II Capital (%)	6.46%	9.14%

(B) Exposure to Real Estate Sector

NIL

(C) Asset Liability Management

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	0.74	3.88	55.46	44.18	11.20	—	—	—	116.20
Market borrowings - Others	20.93	5.30	—	7.75	3.50	—	—	—	52.63
Assets									
Advances	21.70	15.90	9.20	29.10	1.40	8.10	0.15	2.84	88.39
Investments	—	—	—	26.50	13.50	44.00	—	140.24	224.24



Summarised Financial Results of the Subsidiary Companies

	Woodside Parks Limited	Majerhat Estates & Developers Limited
Year ended	31.03.2012	31.03.2012
Reporting Currency	INR Rs. in '000	INR Rs. in '000
Income	—	—
Profit / (Loss) before Taxation	(50)	(35)
Provision for Taxation	—	—
Profit / (Loss) after Taxation	(50)	(35)
Dividend (Interim / Proposed)	—	—
Country	India	India



AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF WILLIAMSON MAGOR & CO. LIMITED

The Board of Directors of Williamson Magor & Co. Limited

- 1) We have audited the attached Consolidated Balance Sheet of Williamson Magor & Co. Limited ("the Company") and its subsidiaries, its jointly controlled entity and associate companies; hereinafter referred to as the "Group" (Refer Note 2 to the attached consolidated financial statements) as at 31st March, 2012, the related consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended on that date annexed thereto, 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 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) We did not audit the financial statements of (i) two subsidiaries and one jointly controlled entity included in the consolidated financial statements, which constitute total assets of Rs 18,30,09 thousand and net assets of Rs.16,42,80 thousand as at 31st March, 2012, total revenues of Rs 1,05 thousand, net loss of Rs.1,52,44 thousand and net cash flows amounting to Rs. 17,00 thousand for the year then ended; and (ii) two associate companies which constitute net loss of Rs.20,09,28 thousand for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the consolidated financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
- 4) The auditors of one of the associates have reported in their Auditors' Report as follows : "The financial statements in the case of overseas subsidiaries having total assets (net) of (Rs.4178.48) lakhs as at 31st March, 2012 and total revenue of Rs.13,098.56 lakhs and net cash flows amounting to (Rs.443.93) lakhs for the year ended on that date, the figures used for consolidation are based on management's estimates and are not audited by other auditors".
- 5) We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, Accounting Standard (AS) 23 - Accounting for Investments in Associates in Consolidated Financial Statements, and Accounting Standard (AS) 27 - Financial Reporting of Interests in Joint Ventures notified under sub-section 3C of Section 211 of the Companies Act, 1956.
- 6) Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements, except for the matter referred to in paragraph 4 above, 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, 2012 ;
 - b) in the case of consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
 - c) in the case of consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Kolkata, 27th July, 2012

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790



CONSOLIDATED BALANCE SHEET OF WILLIAMSON MAGOR & CO. LIMITED AND ITS SUBSIDIARIES AS AT 31ST MARCH, 2012

	Note No.	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	10,95,64	10,95,64
Reserves & Surplus	4	1,98,17,56	2,36,55,01
		<u>2,09,13,20</u>	<u>2,47,50,65</u>
Non-current Liabilities			
Long-term Borrowings	5	44,18,10	4,11,584
Other Long-term Liabilities	6	39,13	25,96
Long-term Provisions	7	32,37	28,77
		<u>44,89,60</u>	<u>41,70,57</u>
Current Liabilities			
Short-term Borrowings	8	1,01,76,28	81,45,00
Trade Payables	9	55,33	49,69
Other Current Liabilities	10	39,93,90	30,48,68
Short-term Provisions	11	33,56	25,32
		<u>1,42,59,07</u>	<u>1,12,68,69</u>
Total		<u><u>3,96,61,87</u></u>	<u><u>4,01,89,91</u></u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible assets	12	54,84,17	67,60,75
Intangible assets	13	—	2,52,63
Non-current Investments	14	2,33,80,16	2,43,46,51
Long-term Loans and Advances	15	2,72,06	4,27,99
		<u>2,91,36,39</u>	<u>3,17,87,88</u>
Current Assets			
Inventories	16	2,85	2,61
Trade Receivables	17	1,28,15	1,39,27
Cash and Bank Balances	18	1,40,24	20,43,71
Short-term Loans and Advances	19	98,13,20	58,38,89
Other Current Assets	20	4,41,04	3,77,55
		<u>1,05,25,48</u>	<u>84,02,03</u>
Total		<u><u>3,96,61,87</u></u>	<u><u>4,01,89,91</u></u>

This is the Consolidated Balance Sheet referred to in our report of even date.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 27th July, 2012

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



**CONSOLIDATED PROFIT & LOSS STATEMENT OF WILLIAMSON MAGOR & CO. LIMITED
AND ITS SUBSIDIARIES FOR THE YEAR ENDED 31ST MARCH, 2012**

	Note No.	Year ended 31st March, 2012 Rs.'000	Year ended 31st March, 2011 Rs.'000
Revenue from Operations	21	27,58,00	19,42,09
Other Income	22	16,25	2,05,36
Total Revenue		27,74,25	21,47,45
EXPENSES :			
Employee Benefits Expense	23	53,54	43,21
Finance Costs	24	28,42,35	21,38,84
Depreciation Expense	25	17,76	21,06
Other Expenses	26	16,98,90	4,53,62
Total Expenses		46,12,55	26,56,73
Profit/(Loss) before Exceptional Items and Tax		(18,38,30)	(5,09,28)
Exceptional Items	34	27,05,20	—
Profit before Tax		8,66,90	(5,09,28)
Tax Expense			
- Current tax		3,50,00	—
- Provision written back for earlier years (net)		(34,14)	—
- Fringe Benefit Tax For earlier years		(4)	25
Profit/(Loss) after Taxation but before share of Earning/(Loss) from Associates		5,51,08	(5,09,53)
Share of net Profit/(Loss) of Associates		(31,71,71)	(69,01)
Profit/(Loss) for the year		(26,20,63)	(5,78,54)
Earnings/(Loss) per Equity Share (Nominal value per share Rs.10)	31		
Basic (Rs.)		(23.92)	(5.28)
Diluted (Rs.)		(23.92)	(5.28)

This is the Consolidated Profit & Loss Statement referred to in our report of even date.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 27th July, 2012

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



**CONSOLIDATED CASH FLOW STATEMENT OF WILLIAMSON MAGOR & CO. LIMITED AND ITS
SUBSIDIARIES FOR THE YEAR ENDED
31ST MARCH, 2012**

	31st March, 2012 (Rs.'000)	31st March, 2011 (Rs.'000)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and exceptional items	(18,38,30)	(5,09,28)
Adjustment for :		
Depreciation	17,76	21,05
Profit on Sale of Investments	(5)	—
Provision for Doubtful debts	—	2,17
Provision for Doubtful advances	87,52	60,43
Provision for Diminution in value of Investments (net)	10,26,25	—
Provision for Standard Assets	10,93	10,66
Provision for retirement benefit written back	—	(4,00)
Provision for NPA written back	(32)	(1,70,66)
Bad debts/advance written off	1,22,89	1
Loss on Assets scrapped	1,15	1,13
Liabilities written back	(1,74)	(10,39)
Provision for retirement benefits	11,61	3,29
Interest on Tax Refund	(4,94)	(7,91)
Operating Profit/(Loss) before working capital changes	(5,67,24)	(6,03,50)
Adjustment for :		
Inventories	(31)	(92)
Trade and other receivables	(44,79,99)	(8,21,38)
Sundry Creditors and other liabilities	13,33,99	(4,06)
Provision for retirement benefits	(9,60)	(10,33)
Cash used in operations	(37,23,15)	(14,40,19)
Interest received on refund of income tax	4,94	7,91
Direct tax refund (net)	71,63	83,32
Net cash used in Operating Activities	(36,46,58)	(13,48,96)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(2,34)	(2,29)
Sale of tangible assets [Exceptional Item-Refer Note-34(b)]	29,85,87	—
Sale of non current Investments	15	—
Purchase of non current Investments	(32,31,25)	—
Net cash used in Investing Activities	(2,47,57)	(2,29)



	31st March, 2012 (Rs.'000)	31st March, 2011 (Rs.'000)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	75,00,00	55,00,00
Repayment of long term borrowings	(25,63,06)	(58,13,12)
Proceeds from short term borrowings	1,95,41,28	1,54,90,00
Repayment of short term borrowings	(2,25,10,00)	(1,32,65,00)
Proceeds from issue of share of Joint Venture (including share premium)	22,90	22,27
Net cash from Financing Activities	<u>19,91,12</u>	<u>19,34,15</u>
Net increase/ (decrease) in cash and cash equivalents	(19,03,03)	5,82,90
Cash and cash equivalents (Opening Balance) [Note 18]	20,41,95	14,61,18
Less : Cash attributable to reduction in share of joint venture from previous year	44	2,13
Cash and cash equivalents (Closing Balance) [Note 18]	1,38,48	20,41,95

- (a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement.
- (b) Notes referred to above form an integral part of this Cash Flow Statement.
- (c) Previous year's figures have been rearranged and regrouped wherever necessary.

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

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 27th July, 2012

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts and also to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 (the Act) and to the extent applicable, with the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 [NBFC Directions].

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule VI to the Companies Act, 1956. Considering its nature of business, the Group has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

b) Fixed Assets

Tangible assets are stated at cost of acquisition and at revaluation on current cost basis for certain assets, net off accumulated depreciation and accumulated impairment losses, if any.

An impairment loss is recognized where applicable when the carrying value of tangible asset exceeds their net realisable value or value in use, whichever is higher.

Profit or loss on disposal of tangible assets is recognised in the Profit and Loss Statement.

Goodwill on consolidation though not amortised, is tested for impairment.

c) Depreciation

Depreciation on tangible assets (other than Land-Freehold) is provided on Reducing Balance Method in accordance with Schedule XIV to 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.

- Depreciation is provided by two associates on Straight Line Method. It is not considered practicable to quantify the impact of differences for making appropriate adjustments in the financial statements of the aforesaid Associates for the purpose of consolidation.

d) Investments

Investments which are of long term nature are stated at costless amounts written off/provided for when the directors are of the opinion that diminutions, other than temporary, in their carrying values have taken place.

e) Inventories

The Parent Company and its Subsidiaries do not have any inventory. Inventories (i.e. Stock of stores) of the Joint Venture is valued at cost or net realisable value, whichever is lower. Cost represents material costs and other costs



incurred for bringing them to their present location/condition and are determined on FIFO methods of valuation. Similar method of valuation is followed by one Associates.

Inventories of one of the Associate is valued at lower of cost and net realisable value where cost is determined on weighted average cost basis. It is not considered practicable to quantify the impact of the differences in the method of valuation after making appropriate adjustments in the financial statements of the aforesaid associate for the purpose of Consolidation.

f) Revenue Recognition

Operating Revenue :

Dividend income is recognized when right to receive dividend is established.

Interest income is generally recognized on a time proportion basis taking into account the amount outstanding and the rate applicable, when there is reasonable certainty as to realisation and guided by NBFC Directions.

Other operating revenue is recognised when there is reasonable certainty as to its realisation.

Service Income is accounted for based on business arrangements in existence on rendering of services.

Lease rental income under operating lease is recognised in Profit and Loss Statement.

g) Employee Benefits

Short term employee benefits :

These are recognised at the undiscounted amount in the profit and loss statement 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 recognized immediately in the Profit and Loss Statement. The retirement benefit obligation provided in the Balance Sheet represents the present value of defined benefit obligations.

h) Foreign Currency Transactions

Foreign Currency transactions are recorded at the rate of exchange prevailing on the date of the respective transactions. All monetary items are restated at the year-end at the closing rate.

i) Borrowing Cost

Borrowing costs relating to qualifying assets, if any, are added to the cost of such assets. Other borrowing costs are charged to Profit and Loss Statement.

j) Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period as per the applicable tax rates and laws.



Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable incomes 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 carry forward losses and/or unabsorbed depreciation are recognised only when its virtually certain that sufficient future taxable income will be available against which such deferred tax assets will be realized.

Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.

k) Provision and Contingent Liabilities

Provisions: Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past event, the existence of which will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

l) Consolidation

The Consolidated Financial Statements comprise the Financial Statements of Williamson Magor & Co. Limited (the Parent Company), its Subsidiaries, Associates and Joint Venture. The Consolidated Financial Statements are prepared in accordance with Accounting Standard 21 (AS 21) on "Consolidated Financial Statements", Accounting Standard 23 (AS 23) on "Accounting for Associates in Consolidated Financial Statements" and Accounting Standard 27 (AS 27) on "Financial reporting of Interest in Joint Venture", notified under Section 211(3C) of the Act.

The Consolidated Financial Statements are prepared on the following basis;

i) Subsidiaries

The Financial Statements of the Parent Company and its Subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, incomes and expenses. The intra-group transactions and unrealized or losses thereon have been fully eliminated.

The Financial Statements of the Subsidiaries used in consolidation are drawn up to the same reporting date as that of the Parent Company.

The excess of the cost to the Parent Company of its investments in the subsidiaries over the Parent's portion of equity of the subsidiaries at the date of acquisition is recognised as goodwill and when the parent's portion of equity at the date of acquisition exceeds the cost of investments, such excess is recognised as Capital Reserve.

ii) Associates

Investment in Associates have been accounted for using the equity method whereby the investment is initially recorded at cost and adjusted thereafter for post-acquisition change in the investor's share of net assets. The



excess of the cost to the investor of its investments in the Associates over the share of net assets of the Associates at the date of acquisition is identified as goodwill and when the investor's share of net asset at the date of acquisition exceeds the cost of investment in the Associate, such excess is identified as Capital Reserve. Such Goodwill/Capital Reserve forms part of the cost of investment and disclosed separately.

iii) Joint Venture

Joint venture of the Parent Company have been accounted for in the Consolidated Financial Statements using the proportionate consolidation method whereby a venture's share of the assets, liabilities, income and expenses of the jointly controlled entity is accounted for on a pro-rata basis.

The excess of the cost of the venturer of its investments, over its share of net assets in the Joint Venture at the date on which the interest in the Joint Venture is acquired is recognized as Goodwill. Adjustment to goodwill is made on post acquisition increase/decrease in the share of equity of or carrying cost of investment in the Joint Venture.

- iv) In applying the equity and proportionate consolidation method, adjustments, when impracticable, are not been made in the financial statements of the Associates and Joint Venture company relating to differences in accounting policies as compared to those of the Parent Company.

NOTE 2

COMPOSITION OF THE GROUP

The Consolidated Financial Statements comprise the financial statements of the Parent Company and its following subsidiaries, joint venture company and associates (collectively referred to as the "Group").

Name of the Company	Country of Incorporation	% of ownership interest held as on 31st March, 2012	% of ownership interest held as on 31st March, 2011
Subsidiaries			
Woodside Parks Limited	India	100%	100%
Majerhat Estates & Developers Limited	India	100%	100%
Joint Venture			
D1 Williamson Magor Bio Fuel Limited	India	15.70%	16.07%
Associates			
Babcock Borsig Limited	India	36.66%	36.66%
Kilburn Engineering Limited	India	32.58%	32.58%
Eveready Industries India Limited	India	23.05%	23.05%



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 3		
SHARE CAPITAL		
Authorised :		
23,750,000 (31st March, 2011 : 23,750,000) Equity Shares of Rs.10/- each	23,75,00	23,75,00
125,000 (31st March, 2011 : 125,000) Preference Shares of Rs. 100/- each	<u>1,25,00</u>	<u>1,25,00</u>
Issued, Subscribed and Fully Paid-up:		
10,956,360 (31st March, 2011 : 10,956,360) Equity Shares of Rs. 10/- each	10,95,64	10,95,64
Total	<u><u>10,95,64</u></u>	<u><u>10,95,64</u></u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4

RESERVES & SURPLUS

	General Reserve Rs. '000	Revaluation Reserve Rs. '000	Capital Reserve (Note 1) Rs. '000	Capital Redemption Reserve Rs. '000	Securities Premium Rs. '000	Statutory Reserve Rs. '000	Pension Reserve Rs. '000	Amalgamation Reserve Rs. '000	Foreign Currency Reserve Rs. '000	Surplus in Profit and Loss Statement Rs. '000	Total (Note 2)
Balance at the beginning of the year	110,77,74	46,30,89	16,00,07	1	5,01,55	23,68,67	45,00	69,26	(1,38,05)	34,99,87	2,36,55,01
Profit/(Loss) for the year	—	—	—	—	—	—	—	—	—	(26,20,63)	(26,20,63)
Less : Transfer to Statutory Reserve	—	—	—	—	—	—	—	—	—	(1,16,98)	(1,16,98)
Less : Transfer to surplus in the Profit and Loss Statement	—	—	—	—	—	—	(45,00)	—	—	—	(45,00)
Add : Transfer from surplus in the Profit and Loss Statement	—	—	—	—	—	1,16,98	—	—	—	—	1,16,98
Add : Transfer from Pension Reserve	—	—	—	—	—	—	—	—	—	45,00	45,00
Less : Withdrawal on account of depreciation	—	(1,12,53)	—	—	—	—	—	—	—	—	(1,12,53)
Less : Withdrawal on account of disposal of revalued assets	—	(11,19,60)	—	—	—	—	—	—	—	—	(11,19,60)
Add/(Less) : Share of Associates on consolidation	—	(4,20,59)	2,92,56	—	1,91,74	—	—	—	(63,24)	—	47
Add/(Less) : Adjustment of Joint Venture on consolidation	—	—	—	—	6,01	—	—	—	—	8,83	14,84
Total	1,10,77,74	29,78,17	18,92,63	1	6,99,30	24,85,65	—	69,26	(2,01,29)	8,16,09	1,98,17,56

Notes :

1. Includes Rs. 13,18,04 thousand (Previous Year : Rs.13,18,04 thousand) arising out of consolidation with Subsidiaries.
2. Includes Share of Joint Venture : Rs.1,17,92 thousand (Previous Year : Rs.18,85 thousand).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 5		
LONG TERM BORROWINGS		
Secured :		
Term Loans		
From other than banks	44,18,10	41,15,84
Total	44,18,10	41,15,84
NOTE 6		
OTHER LONG-TERM LIABILITIES		
Security deposits taken against rental of properties	39,13	25,96
Total	39,13	25,96
NOTE 7		
LONG-TERM PROVISIONS		
Provision for Employees Benefits (Refer Note 29)	32,37	28,77
Total	32,37	28,77
Share of Joint Venture included above : Rs.Nil (Previous Year : Rs. 47 thousand)		
NOTE 8		
SHORT-TERM BORROWINGS		
Secured : Term loan from other than banks	50,00,00	—
Unsecured : Inter Corporate loans	51,76,28	81,45,00
Total	1,01,76,28	81,45,00
Share of Joint Venture included above : Rs.628 thousand (Previous Year : Rs.Nil)		
NOTE 9		
TRADE PAYABLES		
Trade payables	55,33	49,69
Total	55,33	49,69



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 10		
OTHER CURRENT LIABILITIES		
Current maturities of Long-term borrowings	22,02,13	25,67,45
Interest accrued and due	1,13,12	3,09,47
Interest accrued but not due	92,48	7,03
Unclaimed Redeemed Preference Shares	1,63	1,63
Advance from tenants	3,92	2,38
Advance for sale of property	14,01,48	1,50
Employee Liability	4	—
Statutory dues	1,31,25	88,94
Miscellaneous payables	47,85	70,28
Total	39,93,90	30,48,68
Share of Joint Venture included above : Rs.41,49 thousand (Previous Year : Rs.62,03 thousand)		
NOTE 11		
SHORT-TERM PROVISIONS		
Provision for Employee Benefits (Refer Note 29)	11,97	14,66
Total	11,97	14,66
Other Provisions		
Contingent Provision against Standard Assets (Refer Note 35)	21,59	10,66
Total	33,56	25,32

Share of Joint Venture included above : Rs.Nil (Previous Year : Rs.42 thousand)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NOTE 12. TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK AT COST OR VALUATION			DEPRECIATION			NET BLOCK		
	As at 31st March 2011 Rs. '000	Addition during the year Rs. '000	Disposal/ Adjustment during the year Rs. '000	As at 31st March 2012 Rs. '000	As at 31st March 2011 Rs. '000	For the year Rs. '000	Deduction on account of disposal etc. Rs. '000	As at 31st March 2012 Rs. '000	As at 31st March 2011 Rs. '000
Tangible Assets	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
Land-Freehold	43,24,71	—	7,63,91	35,60,80	—	—	—	35,60,80	47,00,30
Buildings	44,70,84	—	7,56,43	37,14,41	21,13,16	1,17,89	3,77,22	18,60,58	19,82,09
Plant & Machinery	1,13,16	6	1,84	1,11,38	54,76	7,85	1,77	60,84	58,40
Motor Vehicles	30,26	75	19,40	11,61	22,14	1,76	14,76	9,14	8,12
Furniture & Fittings	24,44	1,37	5,20	20,61	23,17	55	4,91	18,81	1,27
Office Equipment	21,50	16	15,40	6,26	19,32	90	14,97	5,25	2,18
Electric Installation	31,47	—	14	31,33	28,19	64	13	28,70	3,28
Water Supply	11,74	—	1,46	10,28	6,63	70	1,39	5,94	5,11
Total	90,28,12	2,34	15,63,77	74,66,68	22,67,37	1,30,29	4,15,15	19,82,51	67,60,75
Previous Year	90,55,87	2,29	30,04	90,28,12	21,56,60	1,39,51	28,74	22,67,37	67,60,75

Notes :

1. Net Block as at 31st March, 2012 includes Rs.3,86 thousand (Previous Year : Rs.6,77 thousand) representing share of Joint Venture.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13.

INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK AT COST OR VALUATION			IMPAIRMENT			NET BLOCK	
	As at 31st March 2011 Rs. '000	Addition during the year Rs. '000	Disposal/ Adjustment during the year Rs. '000	As at 31st March 2012 Rs. '000	For the year Rs. '000	As at 31st March 2012 Rs. '000	As at 31st March 2012 Rs. '000	As at 31st March 2011 Rs. '000
Goodwill on consolidation	2,52,63	32	—	2,52,95	2,52,95	2,52,95	—	2,52,63
Total	2,52,63	32	—	2,52,95	2,52,95	2,52,95	—	2,52,63
Previous Year	2,52,31	32	—	2,52,63	—	—	2,52,63	—



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14

NON-CURRENT INVESTMENTS - LONG TERM

(All shares unless otherwise stated are Rs.10 each fully paid-up)

Trade Investments (valued at cost unless otherwise stated)

(a) Quoted Equity Investment

	31st March, 2012		31st March, 2011	
	Nos.	Rs.'000	Nos.	Rs.'000
WPIL Limited	80	1	80	1
McNally Bharat Engineering Company Limited [Net of provision for diminution in carrying amount - Rs 8,89,85 thousand (31st March, 2011 : Rs.Nil)] [Refer (a) below]	3,179,748	40,38,28	1,887,247	16,96,88
The Standard Batteries Limited (Re. 1 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.1,60,05 thousand (31st March, 2011 : Rs. 1,60,05 thousand)]	288,625	—	288,625	—
McLeod Russel India Limited (Rs. 5 each fully paid up) [Refer (a) below]	11,649,946	67,17,38	11,649,946	67,17,38
Kilburn Chemicals Limited [Net of provision for diminution in carrying amount - Rs.2,42,10 thousand (31st March, 2011 : Rs.1,04,44 thousand)]	855,000	2,00,06	855,000	3,37,73
Kilburn Office Automation Limited [Net of provision for diminution in carrying amount - Rs.7,70 thousand (31st March, 2011:Rs.7,70 thousand)]	89,000	2,92	89,000	2,92
Williamson Financial Services Limited	576,250	1,91,09	576,250	1,91,09
Others :				
Dewrance Macneill & Company Limited (In Liquidation)	1,200,000	—	1,200,000	—
Kilburn Electricals Limited [Net of provision for diminution in carrying amount - Rs.1,40 thousand (31st March, 2011: Rs.1,40 thousand)]	14,000	—	14,000	—
Manor Travels Limited	12,000	1,20	12,000	1,20
Johnston Castings & Allied Industries Limited (In Liquidation)	2,500	—	2,500	—
		<u>1,11,50,94</u>		<u>89,47,21</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14

Non-current Investments - Long Term (Contd.)

Other than Trade Investments (valued at cost unless stated otherwise)

(a) Quoted

Equity Instruments

J J Leasing & Hiring Limited [Net of provision for diminution in carrying amount - Rs. Nil (31st March 2011: Rs.10 thousand)]

31st March, 2012		31st March, 2011	
Nos.	Rs.'000	Nos.	Rs.'000

1,000	—	1,000	—
-------	---	-------	---

Marigold Glass Industries Limited [Net of provision for diminution in carrying amount - Rs.1,13 thousand (31st March, 2011: Rs.1,13 thousand)]

7,500	—	7,500	—
-------	---	-------	---

Suryachakra Sea Foods Limited [Net of provision for diminution in carrying amount - Rs.9,00 thousand (31st March, 2011: Rs. 9,00 thousand)]

50,000	—	50,000	—
--------	---	--------	---

Preference Shares

Metal Box India Limited - 6% Redeemable Cumulative Preference Shares of Rs.100 each [Net of provision for diminution in carrying amount - Rs.66 thousand (31st March, 2011 - Rs.66 thousand)]

2,000	—	2,000	—
-------	---	-------	---

(b) Unquoted Equity Instruments

Woodlands Multispecialty Hospital Ltd. [Net of provision for diminution in carrying amount - Rs.Nil (31st March, 2011: Rs.1,16 thousand)]

113,360	1,16	113,360	—
---------	------	---------	---

Arvindnagar Goodwill & Co-operative Housing Society Limited (Rs.50 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.250 (31st March, 2011: Rs.250)]

5	—	5	—
---	---	---	---

Seema Apartments Co-operative Housing Society Limited [Net of provision for diminution in carrying amount - Rs.4 thousand (31st March, 2011: Rs.4 thousand)]

80	—	80	—
----	---	----	---

Kornafuli Association Limited

327	—	327	—
-----	---	-----	---

Rivers Steam Navigation Company Limited [Net of provision for diminution in carrying amount - Re.1 (31st March, 2011: Re.1)]

135,810	—	135,810	—
---------	---	---------	---

Delhi Golf & Country Club Pvt. Limited (Rs.100 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.45,00 thousand (31st March, 2011: Rs.45,00 thousand)]

45,000	—	45,000	—
--------	---	--------	---



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14

	31st March, 2012		31st March, 2011	
	Nos.	Rs.'000	Nos.	Rs.'000
Non-current Investments - Long Term (Contd.)				
Cosepa Fiscal Industries Limited [Net of provision for diminution in carrying amount - Rs.35,00 thousand (31st March, 2011:Rs.35,00 thousand)]	350,000	—	350,000	—
ABC Tea Workers Welfare Services [Net of provision for diminution in carrying amount - Rs.1,06 thousand (31st March, 2011: Rs.1,06 thousand)]	10,567	—	10,567	—
Gouripore Electric Supply Co. Limited [(Rs.100 each fully paid up) (In Voluntary Liquidation)]	3,000	—	3,000	—
Investment in Preference Shares				
India General Navigation & Railway Company Limited - 6% Cumulative Preference Shares (In Voluntary Liquidation) (Rs.2 each fully paid-up) [Net of provision for diminution in carrying amount - Rs.424 (31st March, 2011: Rs.424)]	228	—	228	—
Investment in Debenture				
Bengal Chambers of Commerce and Industry - 6½% Non-redeemable debentures, of Rs.1000 each fully paid-up [Net of provision for diminution in carrying amount - Rs.24 thousand (31st March, 2011: Rs.24 thousand)]	24	—	24	—
		<u>1,16</u>		<u>—</u>
Investments in Associates :				
Trade Investment				
Quoted Equity Instruments				
Kilburn Engineering Limited	43,19,043	42,94,58	43,19,043	46,78,13
Eveready Industries India Limited (Rs.5 each fully paid-up) [Refer (a) below]	1,67,56,841	69,91,09	1,67,56,841	94,46,14
Unquoted Equity Instruments				
Babcock Borsig Limited	25,08,013	<u>9,42,39</u>	25,08,013	<u>12,75,03</u>
		<u>1,22,28,06</u>		<u>1,53,99,30</u>
Total Investments		<u>2,33,80,16</u>		<u>2,43,46,51</u>
Aggregate amount of quoted investments		2,24,35,41		1,96,57,64
Market Value of quoted investments		3,96,28,25		4,51,42,31
Aggregate amount of unquoted investments		9,44,75		50,55,84
Aggregate provision for diminution in carrying amounts of investments		13,93,23		3,66,97

(a) # 3,200,000 shares of Eveready Industries India Limited, 1,940,570 shares of McLeod Russel India Limited, 1,875,000 shares of McNally Bharat Engineering Co. Limited have been pledged with banks and financial institutions against financial assistance taken by the Company and others.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 14

Non-Current Investments (Contd.)

(b) Investments in Associates

Kilburn Engineering Limited

	31st March, 2012		31st March, 2011	
	Nos.	Rs.'000	Nos.	Rs.'000
Share in net assets on acquisition		14,46		14,46
Add : Goodwill on acquisition		10,55,10		10,55,10
Cost of investment		10,69,56		10,69,56
Add: share in profit/(loss)/reserve after acquisition				
Balance as the beginning of the year	36,08,57		33,27,47	
Share of change in Reserve during the year	—		—	
Loss for the year	(3,83,55)	32,25,02	2,81,10	36,08,57
		<u>42,94,58</u>		<u>46,78,13</u>

Babcock Borsig Limited

Share in net assets on acquisition		2,62,77		2,62,77
Add : Goodwill on acquisition		1,10,57		1,10,57
Cost of acquisition		3,73,34		3,73,34
Add : share in profit/(loss)/reserve after acquisition				
Balance as at the beginning of the year	9,01,69		9,16,51	
Share of change in Reserve during the year	3,54,01		—	
Loss for the year	(6,86,65)	5,69,05	(14,82)	9,01,69
		<u>9,42,39</u>		<u>12,75,03</u>

Eveready Industries India Ltd.

Share in net assets on acquisition		1,40,67,17		1,40,67,17
Less : Capital Reserve on acquisition		47,08,16		47,08,16
Cost of acquisition		93,59,01		93,59,01
Add : share in profit/(loss)/reserve after acquisition				
Balance as at the beginning of the year	87,13		8,73,15	
Share of change in Reserve during the year	(3,53,54)		(4,50,73)	
Loss for the year	(21,01,51)	(23,67,92)	(3,35,29)	87,13
		<u>69,91,09</u>		<u>94,46,14</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 15		
LONG-TERM LOANS AND ADVANCES		
Unsecured		
Capital Advance		
- Considered good	—	36,36
Security Deposits		
- Considered good	42,47	32,73
- Considered doubtful	14	14
Less : Provision for Doubtful Deposits	14	14
	<u>42,47</u>	<u>32,73</u>
Advance recoverable in cash or kind		
- Considered good	2,29,59	3,58,34
- Considered doubtful	3,03,59	2,21,16
Less : Provision for Doubtful Deposits	3,03,59	2,21,16
	<u>2,29,59</u>	<u>3,58,34</u>
Other Loans and advances		
- Considered good	—	56
Total	<u><u>2,72,06</u></u>	<u><u>4,27,99</u></u>
Share of Joint Venture included above : Rs.2,30,85 thousand (Previous Year : Rs.3,96,71 thousand)		
NOTE 16		
INVENTORIES		
Stock of Stores - share of Joint Venture	2,85	2,61
Total	<u><u>2,85</u></u>	<u><u>2,61</u></u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 17		
TRADE RECEIVABLES		
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good	—	3,17
- Considered doubtful	3,13,51	3,13,51
Less : Provision for Doubtful Debts	3,13,51	3,13,51
	<u>—</u>	<u>3,17</u>
Other Debts		
- Considered good	1,28,15	1,36,10
Total	<u>1,28,15</u>	<u>1,39,27</u>
NOTE 18		
CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash in hand	3,87	1,91
Balances with Banks :		
On current accounts	1,34,61	20,40,04
	<u>1,38,48</u>	<u>20,41,95</u>
Other Bank Balances		
Redeemed preference share account	1,63	1,63
On Escrow accounts	13	13
Total	<u>1,40,24</u>	<u>20,43,71</u>
Share of Joint Venture included above : Rs.3,46 thousand (Previous Year : Rs.19,49 thousand)		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 19		
SHORT-TERM LOANS AND ADVANCES		
Unsecured (Considered good unless otherwise stated)		
Loans and advances to Associates	1,96	1,85
	<u>1,96</u>	<u>1,85</u>
Deposits with Government Authorities		
- Considered good	11,32	53,30
- Considered doubtful	18,90	18,90
Less : Provision for doubtful loans and advances	18,90	18,90
	<u>11,32</u>	<u>53,30</u>
Other Loans and Advances		
Inter Corporate Loans	94,81,50	50,36,50
Prepaid Expenses	4,72	1,12,03
Advances to employees		
- Considered good	1,95	1,17
- Considered doubtful	4,14	4,14
Less : Allowance for doubtful advances	4,14	4,14
	<u>1,95</u>	<u>1,17</u>
Advances to other parties		
- Considered good	46,67	20,50
- Considered doubtful	3,71,73	3,72,06
Less : Allowance for doubtful advances	3,71,73	3,72,06
	<u>46,67</u>	<u>20,50</u>
Advance Income Tax (Net of provision of Rs.23,75,17 thousand; Previous Year - Rs.22,28,17 thousand)	2,63,08	6,11,54
Fringe Benefit Tax (Net of provision of Rs.11,27 thousand; Previous Year - Rs.11,27 thousand)	2,00	2,00
Total	<u><u>98,13,20</u></u>	<u><u>58,38,89</u></u>

Share of Joint Venture included above : Rs.35,85 thousand (Previous Year : Rs.3,54 thousand)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31st March, 2012
Rs.'00031st March, 2011
Rs.'000

NOTE 20

OTHER CURRENT ASSETS

Unsecured

Interest receivable on deposits from others

- Considered good

- Considered doubtful

Less : Provision for doubtful receivables

Total

4,41,04

3,48,55

3,48,55

4,41,04

3,77,55

3,54,85

3,54,85

3,77,55

NOTE 21

REVENUE FROM OPERATIONS

Dividend on Long-term Investments

Interest Income

Other Operating Revenue

Maintenance Services

Rental of Properties

Other Consultancy Services

Other Operating Income

Total

8,46,40

12,82,87

1,89,44

2,35,17

2,04,00

12

27,58,00

6,51,43

7,71,57

1,03,99

89,95

3,24,00

1,15

19,42,09Share of Joint Venture included above : Rs.12 thousand
(Previous Year : Rs.1,15 thousand)

NOTE 22

OTHER INCOME

Interest on Other deposits *

Interest on Bank deposits

Profit on disposal of Long-term Investments

Interest on Income Tax/Fringe benefit Tax Refund **

Provision for NPA written back

Provision for retirement benefit written back

Liabilities no longer required written back

Miscellaneous Income

Total

1,80

15

5

12,19

32

—

1,74

—

16,25

10,49

1,03

—

7,91

1,70,65

4,00

10,40

88

2,05,36

Share of Joint Venture included above : Rs.93 thousand (Previous Year : Rs.3,95 thousand)

* Includes Rs.Nil in respect of prior period (Previous Year Rs.7,87 thousand)

** Includes Rs.7,25 thousand in respect of prior period (Previous Year Rs.Nil)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
NOTE 23		
EMPLOYEES BENEFITS EXPENSE		
Salaries, Wages and Bonus	34,52	32,68
Contribution to Provident and other funds	3,22	2,95
Pension and Gratuity	10,76	32
Workmen and Staff welfare expenses	5,04	7,26
Total	53,54	43,21

Share of Joint Venture included above : Rs.13,54 thousand (Previous Year : Rs.15,61 thousand)

NOTE 24**FINANCE COSTS**

Interest Expense	27,80,23	20,37,74
Other Borrowing Costs	62,12	1,01,10
Total	28,42,35	21,38,84

NOTE 25**DEPRECIATION EXPENSE**

Depreciation on Tangible Assets	1,30,29	1,39,51
Less : Recoupment from Revaluation Reserve	1,12,53	1,18,45
Total	17,76	21,06

Share of Joint Venture included above : Rs.1,76 thousand (Previous Year : Rs.2,53 thousand)

NOTE 26**OTHER EXPENSE**

Power and Fuel	75,27	58,16
Rent	13,44	11,63
Repairs to building	34,06	33,13
Repairs to machinery	3,67	11,12
Repairs - others	79,83	50,81
Insurance	5,20	4,79
Rates and Taxes	61,85	26,41
Legal and Professional charges	55,80	63,80
Establishment and General Expenses	76,96	74,83
Travelling and conveyance	40,58	39,62
Provision for Doubtful Debts	—	2,17
Contingent Provision for Standard Assets	10,93	10,66
Provision for Doubtful Advances	87,52	60,43
Margin Money Deposit Written off	—	55
Provision for Diminution in carrying amount of long-term investments	10,26,25	—
Loss on Disposal of Tangible assets	1,15	1,13
Advances written off	1,22,89	—
Consumption of stores (Seeds)	1,23	35



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 26

OTHER EXPENSE (Contd.)

	31st March, 2012 Rs.'000	31st March, 2011 Rs.'000
Nursery & Agro facilitation charges	1,54	3,09
Freight Charges	73	94
Total	<u>16,98,90</u>	<u>4,53,62</u>
Share of Joint Venture included above : Rs.1,37,35 thousand (Previous Year : Rs.1,08,01 thousand)		
NOTE 27		
CONTINGENT LIABILITIES		
a) Claims against the Company not acknowledged as debt :		
Sales tax matters under dispute (Note i)	—	41,98
Excise matters under dispute (Note ii)	7,11	7,11
Service Tax matters under dispute (Note iii)	1,92,32	1,28,81
Income Tax Matter under dispute	17,96	17,96
Others	93	93
b) Guarantees given for loans granted to companies within the group	63,50	63,50

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

Notes : i) Represents sales tax levied on income from license fees pending before Commissioner of Commercial Taxes, West Bengal. Provided in the current year.

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

iii) Representing demand as per order issued by the Commissioner of Service Tax, Kolkata in respect of various service tax matters. The above includes penalty and interest for delayed payment of the taxes which have not been quantified in the Order.

NOTE 28

OPERATING LEASE

The Company has leasing arrangements in the nature of operating leases in respect of its premises for a period of 3 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 Note 21.

NOTE 29

EMPLOYEES BENEFITS

I. Defined Contribution Plans

Total contribution to Defined contribution Plans amount to Rs.3,22 thousand (Previous Year : Rs.2,90 thousand) included in contribution to Provident and other Funds (Refer Note 23)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. EMPLOYEES BENEFITS (Contd.)

II. Defined Benefit Schemes

(a) Pension (Unfunded)

The Company has a practice of paying pension to certain categories of retired employees and in certain cases to their surviving spouses based on actuarial valuation at the end of each year.

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

The Company has a scheme of re-imburement of medical Insurance premium to certain categories of employees and their surviving spouses, upon retirement, based on actuarial valuation at the year end subject to a monetary limit.

(c) Gratuity

Gratuity benefits accrue to employees completing five years of service based on actuarial valuation at the end of the year with reference to their respective salaries and tenure of employment subject to a maximum limit of Rs.10 lakhs.

(d) Leave Encashment (Unfunded)

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:

Changes in present value of defined benefit obligations	Pension (Rs. '000)		Medical Insurance (Rs. '000)		Gratuity (Rs. '000)		Leave Encashment (Rs. '000)	
	31st March	31st March	31st March	31st March	31st March	31st March	31st March	31st March
	2012	2011	2012	2011	2012	2011	2012	2011
Opening Present Value obligation	14,77	26,81	25,54	25,20	55	35	1,68	1,43
Provision Written Back	—	—	—	—	—	—	—	—
Interest Cost	96	1,82	2,17	2,02	5	3	14	12
Current Service Cost	—	—	—	—	20	18	30	22
Benefits Paid	(7,12)	(8,04)	(2,48)	(2,28)	—	—	—	—
Actuarial loss / (gain) on obligations	9,34	(5,82)	(1,70)	60	1	(1)	(7)	(9)
Closing Present Value of obligation	17,95	14,77	23,53	25,54	81	55	2,05	1,68

Expenses Recognized in Profit and Loss Account	Pension (Note @) (Rs. '000)		Medical Insurance (Note #) (Rs. '000)		Gratuity (Note @) (Rs. '000)		Leave Encashment (Note *) (Rs. '000)	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Provision Written Back	—	—	—	—	—	—	—	—
Current Service Cost	—	—	—	—	20	18	30	22
Interest Cost	96	1,82	2,17	2,02	5	3	14	12
Expected Return of Plan Asset	—	—	—	—	—	—	—	—
Actuarial loss / (gain) on recognized in the year	9,34	(5,82)	(1,70)	60	1	(1)	(7)	(9)
Expense/(gain) Recognized in statement of Profit / Loss	10,30	(4,00)	47	2,62	26	20	37	25



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Maintenance Services	2011-12	6,72	—	—
	2010-11	7,16	—	—
Other Consultancy Services	2011-12	24,00	1,80,00	—
	2010-11	24,00	1,80,00	—
Recovery of Expenses	2011-12	3,99	50	—
	2010-11	—	—	—
Remuneration	2011-12	—	—	7,08
	2010-11	—	—	6,24
Balance as at year end :				
Investments	31st March, 2012	10,69,56	93,59,01	—
	31st March, 2011	10,69,56	93,59,01	—
Trade Receivables	31st March, 2012	11,66	99,27	—
	31st March, 2011	17,78	99,27	—
Loans and Advances	31st March, 2012	1,93	3	—
	31st March, 2011	—	1,86	—

NOTE 31 : COMPUTATION OF EARNINGS / (LOSS) PER SHARE

Particulars	31st March, 2012	31st March, 2011
A. BASIC		
i) Number of Equity shares at the beginning of the year	10,956,360	10,956,360
ii) Number of Equity shares at the end of the year	10,956,360	10,956,360
iii) Weighted average number of Equity Shares outstanding	10,956,360	10,956,360
iv) Face Value of each Equity Share (Rs.)	10/-	10/-
v) Profit / (Loss) after Tax for Equity Shareholders (Rs. '000)	(26,20,63)	(5,78,54)
vi) Basic Earnings / (Loss) Per share (v / iii) (Rs.)	(23.92)	(5.28)
B. DILUTED		
i) Number of Dilutive potential Equity Shares	—	—
ii) Diluted Earnings / (Loss) per Share (Rs.) [Same as A (vi) above]	(23.92)	(5.28)

NOTE 32

DEFERRED TAXATION

Deferred tax Liabilities		
Depreciation	31,71	35,75
Deferred tax Assets		
Unabsorbed Business Losses	10,02,64	17,92,58
Unabsorbed Depreciation	10,91	34,81
Unabsorbed Capital Losses	—	38,59
	<u>10,13,55</u>	<u>18,65,98</u>
Recognised to the extent of liability	<u>31,71</u>	<u>35,75</u>
Total Deferred Tax Asset	<u>—</u>	<u>—</u>

The Company has unabsorbed depreciation and carry 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 the deferred tax asset has been recognised only to the extent of deferred tax liability.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 33

SEGMENT REPORTING

The Parent Company is registered as a Non-Banking Financial Company and is primarily engaged in holding shares in its group companies. Considering the nature of activities carried out by its subsidiaries and joint venture company. The group has single segment as envisaged in Accounting Standard (AS)-17 on "Segment Reporting".

NOTE 34.

EXCEPTIONAL ITEMS COMPRISE THE FOLLOWING -

	2011-12 (Rs.'000)	2010-11 (Rs.'000)
a) Impairment loss relating to Goodwill on Consolidation.		
The Parent Company formed a Joint Venture Company viz. D1 Williamson Magor Bio Fuel Limited (D1WMBFL) together with another party to engage in the business of jatropa plantation.	(2,52,95)	—
In view of continuing losses having been incurred by D1WMBFL, over the years, substantial erosion of its networth, scaling down of its plantation activities in the recent past and resultant uncertainty about recoverability of its investments in this entity, it has been considered prudent to impair the entire goodwill arising on consolidation.		
b) Profit on sale of a portion of its immovable property comprising Land and Building during the year by the Parent Company	29,58,15	—
	<u>27,05,20</u>	<u>—</u>

NOTE 35. Based on Notification No.DNBS.223/CGM(US)-2011 dated 17th January, 2011, provision has been made for standard assets at 0.25 percent of the balance of such assets as at 31st March, 2012 which has been disclosed separately as 'Contingent Provision against Standard Assets' in Note 11.

NOTE 36. Pursuant to the requirements of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, the Parent Company has made an application to the Reserve Bank of India seeking extension for regularization of the requirements relating to concentration of investment and exposure norms in a phased manner. Accordingly, the Parent Company has sold certain shares to dilute its concentration of investments in the past years to some extent and had recovered a substantial portion of its loan exposure during the year.

In the meantime the Reserve Bank of India vide its Notification No.DNBS(PD)CC. No.197/03.10.001/2010-11 dated 12th August, 2010 and No.DNBS(PD)CC. No.206/03.10.001/2010-11 dated 5th January, 2011 has come out with a new category of NBFC which is known as Systemically Important Core Investment Company. The Parent Company is taking necessary steps for the conversion of its status from Systemically Important Non Deposit Taking Non Banking Financial Company to Systemically Important Non Deposit Taking Core Investment Company as a result of which the Parent Company need not dilute its exposure in terms of Investments and Loans as mentioned above.

NOTE 37. PREVIOUS YEAR FIGURES

Previous year figures have been reclassified / regrouped to confirm with this year's classification.

For LOVELOCK & LEWES
Firm Registration No.301056E
Chartered Accountants
(P. Law)
Partner
Membership No. 51790
Kolkata, 27th July, 2012

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