



## AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

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

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

Kolkata, 30th June, 2009

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





## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2009

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

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

PARTHA MITRA

*Partner*

Membership No. 50553

For and on behalf of

LOVELOCK & LEWES

*Chartered Accountants*

A. KHAITAN - *Director*

R. S. JHAWAR - *Director*

H. U. SANGHAVI - *Secretary*

Kolkata, 30th June, 2009



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

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

Significant Accounting Policies XVI

Notes on Accounts XVII

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

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*Partner*

Membership No. 50553

For and on behalf of

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Kolkata, 30th June, 2009


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

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



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

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

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

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

PARTHA MITRA

*Partner*

Membership No. 50553

For and on behalf of  
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H. U. SANGHAVI - *Secretary*

Kolkata, 30th June, 2009



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



## SCHEDULE II RESERVES & SURPLUS

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

Notes :

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



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

Notes : The above includes :

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

**Unsecured Loans**

**Short Term Loans**

From Other than Banks  
Interest accrued and due

36,75,00

1,14,11

37,89,11

15,65,00

7,60,67

23,25,67

**Other Loan**

From Other than Banks  
Interest accrued and due

25,65,00

1,37,13

27,02,13

64,91,24

—

1,65,63,08

23,25,67

1,41,95,80

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

**SCHEDULE IV****FIXED ASSETS**

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

## Notes :

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



## SCHEDULE V

## INVESTMENTS - LONG TERM

## Trade Investments

## Quoted

## Equity Shares - fully paid-up

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

## Unquoted

## Equity Shares - fully paid-up

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

## Other than Trade Investments

## Quoted

## Preference Shares - fully paid-up

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

## Other than Trade Investments

## Unquoted

## Debenture Stock - Non-Redeemable

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

## Preference Shares — fully paid-up

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

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



## SCHEDULE V

## INVESTMENTS - LONG TERM (Continued)

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

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

## Notes :

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

## 3. Investments in Association

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



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

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



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



## SCHEDULE XII

## INCOME FROM OPERATIONS

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

31st March, 2009

Rs.'000

31st March, 2008

Rs.'000

20,14,36

19,55,06

\* Tax deducted at source

74,98

2,05,19

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

## SCHEDULE XIII

## OTHER INCOME

Interest on Income Tax Refund	27,61 *	1,22,57
Other Interest	—	1,10,72
Provision for retirement benefit written back	29,64 **	—
Liabilities written back	5,68,90	40
Sale of assets (net)	—	18,47
Sale of manure/jatropha Plant	8,88	1,13,67
Miscellaneous Income	2,27	6,56

27,61 \*

1,22,57

—

1,10,72

29,64 \*\*

—

5,68,90

40

—

18,47

8,88

1,13,67

2,27

6,56

6,37,30

3,72,39

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

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

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

## SCHEDULE XIV

## EXPENSES

Salaries, Wages, Compensation and Bonus	53,98	1,22,21
Contribution to Provident and Other Funds	3,74	15,90
Pension and Gratuity	6,68	66
Establishment and General Expenses	43,56	44,61
Travelling Expenses	55,30	71,25
Workmen and Staff Welfare	30,21	40,78
Directors' Fees	6,80	6,00
Financial Charges	17,97	37,50
Insurance	15,86	16,13
Rent	9,71	8,64
Rates and Taxes	19,57	33,49
Legal & Professional	91,32	54,72
Power and Fuel	39,14	35,15
Repair to Buildings	47,11	54,92
Repair to Machinery	1,38	1,58
General Repairs and Renewals	45,52	38,07
Audit Fee	7,14	5,57
Loss for Assets Scrapped/Disposed (net)	—	1,65
Consumption of Stores	25,70	13,45
Nursery & Agro Facilitation Charges	2,96	47,41
Freight	12,82	14,84

53,98

1,22,21

3,74

15,90

6,68

66

43,56

44,61

55,30

71,25

30,21

40,78

6,80

6,00

17,97

37,50

15,86

16,13

9,71

8,64

19,57

33,49

91,32

54,72

39,14

35,15

47,11

54,92

1,38

1,58

45,52

38,07

7,14

5,57

—

1,65

25,70

13,45

2,96

47,41

12,82

14,84



## SCHEDULE XIV

## EXPENSES (Continued)

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

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

## SCHEDULE XV

## INTEREST

	31st March, 2009 Rs.'000	31st March, 2008 Rs.'000
Term Loans	20,44,05	13,42,30
Others	4,64	45
	<u>20,48,69</u>	<u>13,42,75</u>

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

## SCHEDULE XVI

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

## 1. Principles of consolidation :

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

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

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

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



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

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



**9. Employee benefits**

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

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

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

**10. Foreign currency transactions**

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

**11. Borrowing Costs**

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

**12. Taxes on income**

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

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

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

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

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

Notes :-

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

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





3) Operating Lease :

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

4) Post Employment Benefits :

Defined Contribution Schemes

(a) Provident Fund :

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

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

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

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

(b) Superannuation Fund:

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

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

Defined Benefit Schemes

(a) Pension (Unfunded)

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

(b) Medical Insurance Premium Re-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, subject to a monetary limit.

(c) Leave Encashment

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

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





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

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

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





## Notes :

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

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

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

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

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

There are no employees in the rolls of the subsidiaries.

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

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

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

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



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

## a) Associate Companies :

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

## b) Key Management Personnel :

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

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





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

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

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

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



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

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

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

#### Signatures to Schedules I to XVII

Kolkata, 30th June, 2009

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



