



# WILLIAMSON MAGOR & CO. LIMITED

Corporate Identity Number (CIN) : L01132WB1949PLC017715

REGISTERED OFFICE : FOUR MANGOE LANE, SURENDRA MOHAN GHOSH SARANI, KOLKATA - 700 001  
TELEPHONE : 033-2210-1221, 2243-5391, 2248-9434, 2248-9435, FAX : 91-33-2248-3683 / 8114 / 6265  
E-mail : administrator@wmg.co.in, Website : www.wmtea.com

25<sup>th</sup> September,, 2017

The Secretary  
The Calcutta Stock  
Exchange Ltd.  
7 Lyons Range  
**KOLKATA 700001**  
Scrip: 33013

The Secretary  
The National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> Floor,  
Bandra-Kurla Complex  
Bandra (East)  
**MUMBAI 400051**  
Scrip: WILLIAMAGOR

The Secretary  
Bombay Stock Exchange Ltd.,  
25<sup>th</sup> Floor,  
P.J Towers  
Dalal Street, Fort  
**MUMBAI 400001**  
Scrip: 519224

Dear Sir,

**ANNUAL REPORT & ACCOUNTS OF THE COMPANY**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we enclose herewith for your information and record, the Annual Report of the Company for the Year Ended 31<sup>st</sup> March, 2017 which has been approved and adopted in the Annual General Meeting of the Company held on 22<sup>nd</sup> September, 2017 as per the relevant provisions of the Companies Act, 2013.

Please acknowledge receipt.

Thanking you,

Yours faithfully,  
WILLIAMSON MAGOR & CO. LIMITED

(H. U. SANGHAVI)  
**COMPANY SECRETARY**

Encl: As above

/nr.

# **WILLIAMSON MAGOR & CO. LIMITED**

## **Annual Report & Accounts 2016-2017**



ESTD. 1868



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**WILLIAMSON MAGOR GROUP**  
**WILLIAMSON MAGOR & CO. LTD.**

**PRINCIPAL ACTIVITIES : NON-BANKING FINANCE & PROPERTY OWNERS**

**GROUP COMPANIES**

EVEREADY INDUSTRIES INDIA LIMITED  
McLEOD RUSSEL INDIA LIMITED  
WOODSIDE PARKS LIMITED  
MAJERHAT ESTATE & DEVELOPERS LIMITED  
DI WILLIAMSON MAGOR BIO FUEL LIMITED  
KILBURN ENGINEERING LIMITED  
McNALLY BHARAT ENGINEERING COMPANY LIMITED  
WILLIAMSON FINANCIAL SERVICES LIMITED  
BABCOCK BORSIG LIMITED  
DUFFLAGHUR INVESTMENTS LIMITED  
BISHNAUTH INVESTMENTS LIMITED  
(FORMERLY METALS CENTRE LIMITED)  
UNITED MACHINE CO. LIMITED  
ICHAMATI INVESTMENTS LIMITED  
THE STANDARD BATTERIES LIMITED  
McNALLY SAYAJI ENGINEERING LIMITED  
BORELLI TEA HOLDINGS LIMITED (U.K.)  
PHU BEN TEA COMPANY LIMITED (VIETNAM)  
McLEOD RUSSEL UGANDA LIMITED  
McLEOD RUSSEL MIDDLE EAST DMCC (DUBAI)  
McLEOD RUSSEL AFRICA LIMITED  
GISOVU TEA COMPANY LIMITED  
PFUNDA TEA COMPANY LIMITED

**DIRECTORS**

B. M. KHAITAN - *Chairman*  
A. KHAITAN - *Vice Chairman*  
AMRITANSHU KHAITAN  
T. R. SWAMINATHAN  
R. S. JHAWAR  
DR. R. SRINIVASAN  
G. MOMEN  
BHARAT BAJORIA  
H. M. PAREKH  
SONALI SINGH

**SECRETARY**

H. U. SANGHAVI

**MANAGER & CFO**

TULADRI MALLICK

**AUDITORS**

LOVELOCK & LEWES  
*Chartered Accountants*

**BANKERS**

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

**SHARE TRANSFER AGENTS**

MAHESHWARI DATAMATICS PVT. LTD.  
6, MANGOE LANE, 2ND FLOOR  
KOLKATA-700 001  
TEL : 003-2243-5809, 033-2243-5029, 033-2248-2248  
FAX : 033-2248-4787  
E-mail : mdplc@yahoo.com

**REGISTERED OFFICE**

FOUR MANGOE LANE  
SURENDRA MOHAN GHOSH SARANI  
KOLKATA-700001  
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



## REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

The Directors present the Annual Report with the Audited Financial Statements of your Company for the year ended 31st March, 2017.

### FINANCIAL RESULTS

(₹ in Thousands)

|                                                     | 2016-17    | 2015-16    |
|-----------------------------------------------------|------------|------------|
| Profit (Loss) before Depreciation and Finance Costs | 5,55,090   | 2,67,981   |
| Less: a) Depreciation                               | 906        | 1,132      |
| b) Finance Costs                                    | 7,03,135   | 4,40,341   |
| Profit/(Loss) before Exceptional Items and Tax      | (1,48,951) | (1,73,492) |
| Exceptional Item                                    | -          | -          |
| Profit/(Loss) before Tax                            | (1,48,951) | (1,73,492) |
| Tax Expense :                                       |            |            |
| Current Tax                                         | -          | -          |
| Earlier Period                                      | -          | 4,291      |
| Provision written back for earlier years(net)       | -          | (19,260)   |
| Profit/(Loss) for the year                          | (1,48,951) | (1,58,523) |
| Loss brought forward previous years                 | (4,79,705) | (3,21,182) |
| Balance carried forward to Balance Sheet            | (6,28,656) | (4,79,705) |

### OPERATIONS

The revenue earned by the Company during the year amounted to ₹ 51.87 crores as against ₹ 34.67 crores earned in the previous year, which is primarily due to more interest income earned on loans given as compared to the earlier year. The other income includes ₹ 15.06 crores on account of recovery of certain bad debts written off in earlier years and certain provisions and liabilities no longer required which have also been written back in the accounts. The Company, however, continues to have operations loss which was lower than the previous year.

### DIVIDEND

On account of the accumulated loss, your Directors regret their inability to recommend any dividend for the year under review.

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

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report is attached as Annexure I and forms part of this Report.

### REPORT ON CORPORATE GOVERNANCE

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance and the Auditors' Certificate regarding Compliance of Conditions of Corporate Governance are attached as Annexure II and Annexure III respectively and form part of this Report.



The disclosure as required pursuant to Section II of Part II of Schedule V to the Companies Act, 2013 regarding element of remuneration package, details of fixed and performance linked incentives along with performance criteria and stock option has been given in MGT-9 attached to this Report. Apart from the said disclosures, Mr. Tuladri Mallick, Manager has a service contract of 3 (three) years and a notice period of 3 (three) months and there is no provision for any severance fees.

#### **ASSOCIATES AND JOINT VENTURES**

During the year under review, the Company had four associate companies and one joint venture company as follows :-

- i) Majerhat Estates & Developers Limited – Associate Company
- ii) Kilburn Engineering Limited – Associate Company
- iii) Eveready Industries India Limited – Associate Company
- iv) McNally Bharat Engineering Company Limited – Associate Company
- v) D1 Williamson Magor Bio Fuel Limited – Joint Venture Company

#### **D1 WILLIAMSON MAGOR BIO FUEL LIMITED**

D1 Williamson Magor Bio Fuel Limited (D1WML) was incorporated under a 50:50 joint venture agreement between the Company and D1 Oils Trading Ltd. UK to facilitate development of Jatropa Plantation under contract farming arrangements for production of bio diesel from Jatropa oilseeds. Your Company presently holds 15.70% of equity capital of D1WML.

D1WML has concentrated its efforts towards convergence of existing jatropa plantations in the state of Jharkhand having abandoned its plantation in North East of India due to excessive weed growth.

The gestation period of the plantation being longer than estimated time, has been the major deterrent factor towards commercial production. In addition, the unprecedented fall in the price of petroleum crude oil globally has resulted in less potential price of biodiesel, though it may be a temporary phenomena.

The Company has, however, made appropriate provisions in the accounts based on the present situation.

#### **CONSOLIDATED FINANCIAL STATEMENTS AND REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

As required under Section 129(3) of the Companies Act, 2013, Consolidated Financial Statements of the Company, its two Associate Companies and one Joint Venture Company as mentioned above prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the Auditors' Report on the Consolidated Financial Statements are appended in the Annual Report.

A statement containing the salient features of the financial statements of the Company's aforesaid four Associate Companies and one Joint Venture Company pursuant to the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 prepared in Form AOC-1 is attached to the financial statements of the Company for your information.

#### **MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT**

There are no material changes or commitments that have occurred between the end of the financial year and the date of this Report.

#### **INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT**

The Company has in place a satisfactory internal control system to ensure proper recording of financial and operational information and to exercise proper and timely compliance of all regulatory and statutory compliances as applicable to the Company.



The Internal Audit of the various operations of the Company is periodically conducted by an outside agency which submits its report to the Audit Committee of the Board of Directors of the Company. The Audit Committee takes the same into consideration for the purpose of evaluation of Internal financial controls in the Company.

The existing Risk Management Committee of the Board of Directors of the Company monitors and reviews the risks associated with the Company's business operations and manages them effectively in accordance with the risk management system of the Company.

## **DIRECTORS**

There has been no change in the Directorship of the Company since the last Report of the Board of Directors of the Company.

In accordance with Article 100 of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013 ('the Act'), Mr. Amritanshu Khaitan will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

All the Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in terms of section 149 of the Companies Act, 2013 and the Board is also of the opinion that all of them fulfill all the conditions specified in the Act making them eligible to continue to act as Independent Directors of the Company.

All the Directors and both the Key Managerial Personnel of the Company as mentioned hereunder have confirmed compliance with the Code of Conduct as applicable to them and there are no other employees in the senior category.

## **KEY MANAGERIAL PERSONNEL**

Mr. Tuladri Mallick has been re-appointed as the Manager of the Company under the Companies Act, 2013 ('the Act') for a period of three years with effect from 1st May, 2017 and possessing the requisite qualification, has also been designated as Chief Financial Officer of the Company with effect from the said date towards compliance of the relevant provisions of the Act and the erstwhile Listing Agreement with the Stock Exchanges and the relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. H U Sanghavi, Company Secretary and Compliance Officer of the Company also continues as the other Key Managerial Personnel of the Company towards compliance of the relevant provisions of the Act and the erstwhile Listing Agreement with the Stock Exchanges and the relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As stipulated in Section 134(3) of the Companies Act, 2013 ('the Act') your Directors state that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed with along with proper explanation relating to material departures, if any;
- (ii) 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) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively;
- (vi) there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



## BOARD MEETINGS

During the year ended 31st March, 2017, five Board Meetings were held i.e. on 11th May, 2016, 30th May, 2016, 9th August, 2016, 8th November, 2016 and 3rd February, 2017.

## BOARD EVALUATION

The formal evaluation of the performance of the Independent Directors, Non-Independent Directors, Chairperson and the Board of Directors as a whole and all Board Committees was carried out by the Board for the financial year ended 31st March, 2017 in accordance with the relevant provisions of Section 134 of the Act read with the Rule related thereto and Section 178 of the Act and Schedule IV to the Act and the same was found to be satisfactory.

## AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company consists of Mr. T. R. Swaminathan, Dr. R Srinivasan, Mr. H. M. Parekh and Mr. G. Momen as its Members.

Mr. H. U. Sanghavi, Company Secretary acts as the Secretary of the Audit Committee. The Statutory Auditors and the Manager as well as the Chief Financial Officer of the Company are permanent invitees to the Audit Committee Meetings.

During the year ended 31st March, 2017 there were no instances where the Board of Directors of the Company had not accepted the recommendations of the Audit Committee. The Company has in place a vigil mechanism/whistle blower policy the details of which are available on the Company's website [www.wmtea.com](http://www.wmtea.com). The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company.

## COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS

The particulars required to be furnished in this regard are given in the terms of reference of the Nomination and Remuneration Committee as mentioned in the attached Report on Corporate Governance and also in the Remuneration Policy of the Company attached as Annexure IV to this Report.

## AUDITORS AND AUDIT REPORT

Messrs. V Singhi & Associates, Chartered Accountants, are to be appointed as Auditors of the Company in place of the retiring Auditors Messrs. Lovelock & Lewes, Chartered Accountants in terms of Section 139 of the Companies Act, 2013 ("the Section") at the Annual General Meeting of the Company to be held on 22nd September, 2017 to hold office from the conclusion of the said Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2022.

The Company has received their consent towards their appointment as the Auditors of the Company as well as their Certificate in terms of the Section.

There are no qualifications, reservations or adverse remarks made by the Auditors in their Report.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013 are not disclosed in this Report because they form a part of the notes to the financial statements for the year ended 31st March, 2017 and are accordingly disclosed in such notes forming part of the financial statements of the Company for the said financial year.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

The particulars of contracts with the related parties are given in Form AOC-2 which is attached as Annexure V to this Report.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company has not formed any Corporate Social Responsibility Committee because the provisions of Section 135 of the Companies Act, 2013 relating to formation of such a Committee and the formulation of a Corporate Social Responsibility Policy do not apply to the Company.

**SECRETARIAL AUDIT REPORT**

A Secretarial Audit was conducted during the year by the Secretarial Auditor, M. K. B & Associates, Company Secretaries in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is attached herewith as Annexure VI and forms a part of this Report. There are no qualifications or observations or remarks made by the Secretarial Auditor in his Report.

**EXTRACT OF ANNUAL RETURN**

An extract of the annual return as provided under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is given in MGT-9 which is attached as Annexure VII to this Report.

**PARTICULARS OF EMPLOYEES**

The relevant particulars required to be furnished pursuant to Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014 in this regard are attached as Annexure VIII to this Report.

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

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure IX to this Report.

**GOING CONCERN STATUS**

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern stand company's operations in future.

**OTHER DISCLOSURE**

In terms of requirements of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Rehabilitation) Act, 2013, the Company has associated itself with the Internal Complaints Committee formed by Mcleod Russel India Limited, one of the Companies forming part of Williamson Magor group with regard to dealing with sexual harassment at workplace.

Kolkata  
8th August, 2017

For and on behalf of the Board  
**A. KHAITAN - Vice Chairman**  
**R. S. JHAWAR - Director**



## ANNEXURE I

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT INDUSTRIAL STRUCTURE AND DEVELOPMENTS

The year 2016-17 witnessed major financial reforms which are likely to have positive impacts on the economy. The growth of Indian economy during the year was projected to be around 7.2%. However, on account of demonetization of Indian currency of higher denominations, there was a temporary slowdown in the economic activities resulting in reduction in the growth rate in the last two quarters of the financial year. Normalcy has since been restored in the monetary system by re-monetization to the extent of 86% of the cancelled notes.

On the monetary policy front, Reserve Bank of India ("RBI") reduced the Repo rate by 50 basis points to 6.25% during the financial year 2016-17. The domestic retail inflation continued to be moderate despite increase in global commodity prices. A favourable monsoon after two consecutive years of deficiency helped to lower food inflation. The country is having a normal monsoon in the current year as well which should help in keeping the food prices under control. A good monsoon will also boost the rural economy which in turn will enhance the demand of various commodities. In view of lower inflation, RBI has recently reduced the Repo rate by a further 25 basis points. The Companies engaged in the financial sector will benefit from the falling rate of interest. Enactment of Insolvency and Bankruptcy Code, 2016 will help such companies in recovery of overdue loans.

The year 2016-17 also witnessed a major policy initiative aimed at transforming the indirect tax structure in the country by introduction of Goods and Services Tax ("GST"). As a step towards this direction, the Constitution of India was amended leading to the implementation of GST from 1st July, 2017. All these reforms are expected to bear fruit in the years to come.

### OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

Your Company being a Non-Banking Financial Company is primarily engaged in the business of making investments and giving loans to various bodies corporate. The major part of the loans and investments made by the Company are in the Group Companies. Some of the Companies where the Company holds sizeable shares declared reasonable dividend in the last year and they are expected to declare dividend in the current year too. With the improvement in the business scenario the Company expects timely recovery of loans with interest thereon from its borrowers. Being a part of the Williamson Magor Group, the Company is in a position to derive benefits from the Group infrastructure and the reputation that the Group enjoys in the corporate world. On account of various financial reforms undertaken by the Government, the Stock Market is expected to remain bullish which is likely to enhance the value of listed Shares held by the Company.

The Company has considerable investments in the shares of a few listed Companies. In a volatile market the Company is exposed to the risk of fluctuation in share prices. This however is not likely to affect the working of the Company as a major part of the said investments are held on a long term basis and temporary fluctuations of those shares in the stock market do not have much financial implication to the 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 Members who may be its lenders/borrowers (not being Group Companies). This will eventually minimize the Company's risk of operations.

### OUTLOOK

Earnings of the Company depend on the performance of the Companies where the Company has invested funds in equities or given loans. With better growth prospects continuing with a stable Government at the Centre who has been taking measures for several financial reforms, the economy is expected to grow faster offering better environment for the industries to perform better. The Companies where the company has invested funds or to whom it has lent money are expected to improve their performance. As a result the Company hopes to generate higher income in the form of interest, dividend and other income in the current year.



On account of low inflation the Reserve Bank has already announced a 25 basis point rate cut in the current year which will have a beneficial effect on the Company in the form of reduced interest burden. In view of all these, barring unforeseen circumstances, the Company is expected to do well in the current year.

#### **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 Board of Directors of 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 Controls.

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

#### **HUMAN RESOURCES**

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

#### **CAUTIONARY STATEMENT**

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

Kolkata  
8th August, 2017

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



## REPORT ON CORPORATE GOVERNANCE

## Annexure II

### 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 laid down in SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

### 2. BOARD OF DIRECTORS

#### (i) Composition and Category of Directors

The Board of Directors of your Company consists of ten Directors as under:

- One Non-Executive Promoter Director who is the Chairman;
- Three Non-Executive Directors including the Vice Chairman;
- Six Non-Executive Independent Directors.

The Board has an optimum combination of Executive and Non-Executive Directors and more than half of the Board consisted of Independent Directors including one woman Director, which is in conformity with the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

#### (ii) Attendance of each Director at the Board Meetings / last Annual General Meeting, Directorship and Chairmanship / Membership in other Board/Board Committees

Name and category of the Directors on the Board, their attendance at Board Meetings held during the financial year ended 31st March 2017, number of Directorships and Committee Chairmanships/Memberships held by them in other public limited companies are given below. Other Directorships do not include alternate Directorships, Directorships in Private Limited Companies and Companies under Section 8 of the Companies Act, 2013 and of the Companies incorporated outside India. Chairmanship/Membership of Board Committees relates to only Audit and Stakeholders' Relationship Committees.

| Name of Directors      | Category                    | No. of Board Meetings |          | Whether attended last AGM held on 09.08.2016 | No. of Directorships in other Public Limited Companies | No. of Committee positions held in other Public Limited Companies |               |
|------------------------|-----------------------------|-----------------------|----------|----------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------|---------------|
|                        |                             | Held during the year  | Attended |                                              |                                                        | As Chairman                                                       | As Member (#) |
| Mr. B. M. Khaitan      | Non-Executive Chairman      | 5                     | 4        | No                                           | 5                                                      | -                                                                 | 1             |
| Mr. A. Khaitan         | Non-Executive Vice-Chairman | 5                     | 5        | Yes                                          | 7                                                      | 1                                                                 | 3             |
| Mr. Amritanshu Khaitan | Non-Executive               | 5                     | 4        | No                                           | 9                                                      | -                                                                 | -             |
| Mr. R. S. Jhavar       | Non-Executive               | 5                     | 5        | Yes                                          | 7                                                      | 2                                                                 | 5             |
| Mr. T. R. Swaminathan  | Non-Executive & Independent | 5                     | 5        | Yes                                          | 3                                                      | 3                                                                 | 4             |



| Name of Directors  | Category                    | No. of Board Meetings |          | Whether attended last AGM held on 09.08.2016 | No. of Directorships in other Public Limited Companies | No. of Committee positions held in other Public Limited Companies |               |
|--------------------|-----------------------------|-----------------------|----------|----------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------|---------------|
|                    |                             | Held during the year  | Attended |                                              |                                                        | As Chairman                                                       | As Member (#) |
| Dr. R. Srinivasan  | Non-Executive & Independent | 5                     | 5        | Yes                                          | 6                                                      | 2                                                                 | 4             |
| Mr. G. Momen       | Non-Executive & Independent | 5                     | 5        | No                                           | 7                                                      | 1                                                                 | 4             |
| Mr. Bharat Bajoria | Non-Executive & Independent | 5                     | 4        | Yes                                          | 7                                                      | -                                                                 | 3             |
| Mr. H. M. Parekh   | Non-Executive & Independent | 5                     | 3        | No                                           | 8                                                      | 5                                                                 | 8             |
| Ms. Sonali Singh   | Non-Executive & Independent | 5                     | 4        | Yes                                          | -                                                      | -                                                                 | -             |

(#) Including Chairmanship, if any.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman/Chairperson of more than 5 Committees as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the Companies in which he / she is a Director. The Directors have made necessary disclosures regarding Committee positions held in other public limited companies in terms of Regulation 26(1)&(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### (iii) Number & Dates of Board Meetings

Five Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

11th May 2016, 30th May 2016, 9th August 2016, 8th November 2016 and 3rd February 2017.

### (iv) Disclosure of relationships between Directors

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013, except Mr. Aditya Khaitan who is the son of Mr. B. M. Khaitan.

### (v) The Board of Directors plays an important role in ensuring good governance and has laid down a revised Code of Conduct for all Board Members and Senior Management Personnel of the Company.

The revised 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.

### (vi) Web Link for Familiarisation Programme

Web link where details of familiarization programmes imparted to Independent Directors is:

[http://wmtea.com/images/FAMILIARISATION\\_PROGRAMME\\_FOR\\_INDEPENDENT\\_DIRECTORS.pdf](http://wmtea.com/images/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS.pdf)



### 3. AUDIT COMMITTEE

#### i) Brief description of terms of reference

The role and terms of reference of the Audit Committee covers the areas mentioned under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in Section 177 of the Companies Act, 2013. Brief descriptions of the terms of reference of the Audit Committee are as follows:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) approval or any subsequent modification of transactions of the company with related parties;
- d) scrutiny of inter-corporate loans and investments;
- e) valuation of undertakings or assets of the company, wherever it is necessary;
- f) evaluation of internal financial controls and risk management systems;
- g) monitoring the end use of funds raised through public offers and related matters.
- h) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- i) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- j) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - ii. Changes, if any, in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management
  - iv. Significant adjustments made in the financial statements arising out of audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft audit report
- k) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- l) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- n) Reviewing the adequacy of internal audit function, if any, 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;
- o) Discussion with internal auditors of any significant findings and follow up hereon;
- p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;



- q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- s) To review the functioning of the Whistle Blower mechanism;
- t) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- u) To investigate any activity within its terms of reference;
- v) To seek information from any employee;
- w) To obtain legal or other professional advice;
- x) To secure attendance of outsiders with relevant expertise, if it considers necessary;
- y) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

## ii) Composition

The Audit Committee of the Board as on 31st March 2017 consisted of Mr. T. R. Swaminathan, Dr. R. Srinivasan, Mr. H. M. Parekh and Mr. G. Momen. Mr. T. R. Swaminathan a Non-Executive Independent Director, having adequate financial and accounting qualification and background, is the Chairman of the Audit Committee. The other Members of the Committee are also financially literate and they are also Independent Directors. 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.

## iii) Meetings and attendance during the year

Five Meetings of the Audit Committee were held during the financial year ended 31st March 2017 and the attendance of the Members is as follows:

| Name of Member of the Audit Committee | Whether attended the Meetings held on |            |            |            |            |
|---------------------------------------|---------------------------------------|------------|------------|------------|------------|
|                                       | 11.05.2016                            | 30.05.2016 | 09.08.2016 | 08.11.2016 | 03.02.2017 |
| MR. T. R. SWAMINATHAN                 | YES                                   | YES        | YES        | YES        | YES        |
| DR. R. SRINIVASAN                     | YES                                   | YES        | YES        | YES        | YES        |
| MR. H. M. PAREKH                      | YES                                   | NO         | NO         | YES        | YES        |
| MR. G. MOMEN                          | YES                                   | YES        | YES        | YES        | YES        |

## 4. NOMINATION AND REMUNERATION COMMITTEE

### i. Brief description of terms of reference

The broad terms of reference of the Nomination and Remuneration Committee are as follows:

- a) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- b) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- c) Formulation of criteria for evaluation of Independent Directors and the Board;
- d) Devising a policy on Board diversity;

The Nomination and Remuneration Committee recommends to the Board the remuneration payable to the Managerial Personnel appointed pursuant to Section 203 of the Companies Act, 2013.



**ii) Composition, Name of Members and Chairperson**

The Nomination and Remuneration Committee of the Board as on 31st March 2017 comprised of Dr. R. Srinivasan, Mr. T. R. Swaminathan and Mr. B. Bajoria, all of whom are Independent Directors. Dr. R. Srinivasan is the Chairman of the Nomination and Remuneration Committee.

**iii) Meeting and attendance during the year**

No Meeting of the Nomination and Remuneration Committee was held during the financial year ended 31st March 2017.

**iv) Performance Evaluation Criteria for Independent Directors**

The Nomination and Remuneration Committee has approved the following criteria for evaluation of Independent Directors and the Board in terms of Regulation 19(4) read with Part D (A) (2) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- 1) Regular attendance in Board and Committee Meetings.
- 2) Participation in discussions and contributions towards betterment and improvement of the Company's business operations.
- 3) Expression of independent opinion on various matters taken up by the Board.
- 4) Adequate knowledge about the Company's business and the Country's business and economic scenario.
- 5) Innovative ideas for growth of the Company and in solving problems faced by the Company.
- 6) In case of conflict of interest, prompt in disclosing the same.
- 7) Possessing long term vision for growth of the Company.

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

The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for attending Board & Committee Meetings. Remuneration by way of Sitting Fees for attending Board Meetings and Committee Meetings are paid to the Non-Executive Directors at the rate of ₹ 10,000/- per Meeting of the Board and Committees thereof. Apart from sitting fees, no other compensation is paid to the Non-Executive Directors. This may be treated as the disclosure in view of the provisions of Section II of Part II of Schedule V to the Companies Act, 2013. The details of sitting fees paid during 2016-2017 to the Non-Executive Directors of the Company are as under:

| Name of Director       | Sitting Fees paid (₹) for Board Meetings | Sitting Fees paid (₹) for Committee Meetings | No. of shares held as on 31.03.2017 |
|------------------------|------------------------------------------|----------------------------------------------|-------------------------------------|
| Mr. B. M. Khaitan      | 40,000                                   | -                                            | 12,840                              |
| Mr. A. Khaitan         | 50,000                                   | -                                            | -                                   |
| Mr. Amritanshu Khaitan | 40,000                                   | -                                            | -                                   |
| Mr. T.R. Swaminathan   | 50,000                                   | 80,000                                       | 2,340                               |
| Mr. R. S. Jhavar       | 50,000                                   | 30,000                                       | -                                   |
| Dr. R. Srinivasan      | 50,000                                   | 60,000                                       | -                                   |
| Mr. G. Momen           | 50,000                                   | 70,000                                       | -                                   |
| Mr. B. Bajoria         | 40,000                                   | 10,000                                       | -                                   |
| Mr. H. M. Parekh       | 30,000                                   | 30,000                                       | -                                   |
| Ms. Sonali Singh       | 40,000                                   | -                                            | -                                   |
| <b>TOTAL</b>           | <b>4,40,000</b>                          | <b>2,80,000</b>                              |                                     |

The Company does not have any Scheme for grant of stock options to its employees.



## 6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board as on 31st March, 2017 consisted of Mr. T. R. Swaminathan and Mr. G. Momen, Independent Directors and Mr. R. S. Jhavar, Non-Independent Director. Mr. T. R. Swaminathan a Non-Executive Independent Director is the Chairman of the Committee. Mr. H. U. Sanghavi, Company Secretary, is the Compliance Officer of the Company.

During the financial year 2016-2017, no complaint was received from any shareholder/investor and also till date. The Company has acted upon all valid requests for share transfers received during 2016-2017 and no such transfer is pending. All requests for dematerialization and rematerialization of shares during the aforesaid period were confirmed/rejected into the NSDL/CDSL system.

Two Meetings of the Stakeholders' Relationship Committee were held during the financial year ended 31st March 2017 and the attendance of the Members is as follows:

| Name of Member of the Stakeholders' Relationship Committee | Whether attended the Meetings held on |            |
|------------------------------------------------------------|---------------------------------------|------------|
|                                                            | 18.10.2016                            | 31.03.2017 |
| MR. T.R. SWAMINATHAN                                       | YES                                   | NO         |
| MR. R. S. JHAWAR                                           | 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                                                                                                      |
|----------------|------------|------------|------------------------------------------------------------------------------------------------------------|
| 31.03.2014     | 10.09.2014 | 11.00 a.m. | Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata 700 001 |
| 31.03.2015     | 18.08.2015 | 11.00 a.m. | Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata 700 001 |
| 31.03.2016     | 09.08.2016 | 11.00 a.m. | Williamson Magor Hall of The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata 700 001 |

b) No special resolution was passed in the last Annual General Meeting of the Company held on 9th August, 2016

Two special resolutions were passed in the previous Annual General Meeting of the Company held on 18th August, 2015 for :

- Authority to the Board of Directors of the Company to grant Intercompany loan(s) to Babcock Borsig Limited, an associate of the Company (Related Party) for a sum of not exceeding ₹ 100 crores in terms of amended clause 49 VII E of the Listing Agreement.
- Authority to the Board of Directors of the Company to borrow monies subject to an aggregate limit of ₹ 500 crores in terms of Section 180(1)(c) of the Companies Act, 2013.

Three special resolutions were passed in the annual general meeting of the Company held on 10th September, 2014 for :

- Appointment of Manager of the Company for a period of three years with effect from 1st May, 2014 and approval of the remuneration payable to him as Manager of the Company for the said period in accordance with the provisions of Sections 196 and 203 read with Sections 178(3), 197 and 198 of the Companies Act 2013 ('Act') and Schedule V to the Act.



- ii. Authority to the Board of Directors of the Company to create mortgage and charges in addition to the charges already created in terms of Section 180(1)(a) of the Companies Act, 2013.
- iii. Authority to the Board of Directors of the Company to borrow monies in terms of Section 180(1)(c) of the Companies Act, 2013.

No special resolution was passed in the annual general meeting of the Company held in the year 2013.

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

## 8. MEANS OF COMMUNICATION

- i) The Half-yearly results are published in the newspapers in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and not sent to the Shareholders.
- ii) The Quarterly results, Half-yearly results and Annual Audited results are published in Financial Express and Aajkal (Vernacular).
- iii) The Company displays the financial results and certain other information on its web site: [www.wmtea.com](http://www.wmtea.com)
- iv) Management Discussion and Analysis Report has been annexed to and forms part of the Report of the Directors to the Shareholders.

## 9. GENERAL SHAREHOLDER INFORMATION

### (i) 66th Annual General Meeting 2016-2017

Date and Time : **22nd September, 2017 (day) at 11.00 a.m.**

Venue : Williamson Magor Hall  
The Bengal Chamber of Commerce and Industry  
'Royal Exchange', 6, Netaji Subhas Road  
Kolkata - 700001

(ii) **Financial Year** : 1st April 2016 to 31st March 2017.

### (iii) Financial Calendar

|                                                         |                             |
|---------------------------------------------------------|-----------------------------|
| Annual Results of previous year (audited)               | End May 2017                |
| First Quarter Results (30th June)                       | Mid August 2017             |
| Annual General Meeting                                  | Last week of September 2017 |
| Second Quarter Results (30th September)                 | Mid November 2017           |
| Third Quarter Results (31st December)                   | Mid February 2018           |
| Financial Reporting for the year ending 31st March 2018 | End May 2018                |

### (iv) Dates of Book Closure

The Share Transfer Books and Register of Members of the Company will remain closed from **15th September, 2017 to 22nd September, 2017** (both days inclusive).

### (v) Dividend

The Board of Directors of the Company has not recommended any dividend for the year ended 31st March, 2017.

**(vi) Listing on Stock Exchange and Stock Code**

The Company's Shares are listed at the following Stock Exchanges and the Annual Listing Fee for the year 2016-2017 has been paid to each of them:

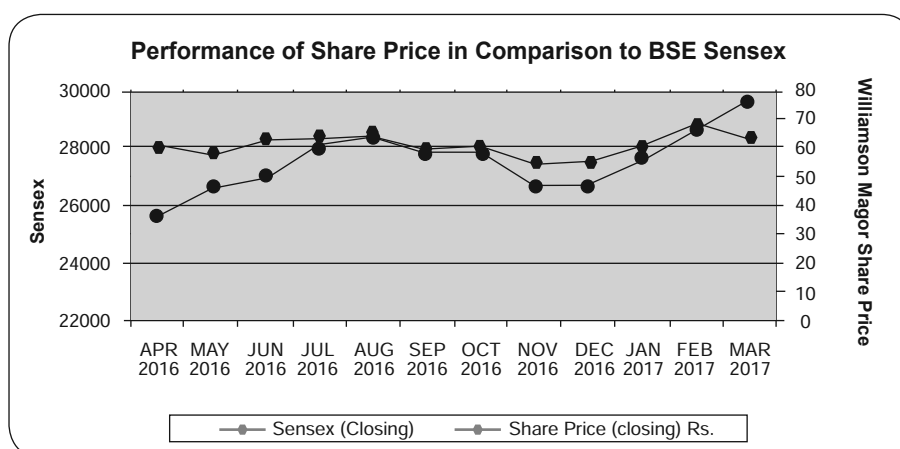
| Name of the Stock Exchange                      | Stock Code No. |
|-------------------------------------------------|----------------|
| Bombay Stock Exchange Limited                   | 519224         |
| National Stock Exchange of India Limited        | WILLAMAGOR EQ  |
| The Calcutta Stock Exchange Association Limited | 33013          |

**(vii) Stock Price Data**

| Month          | Bombay Stock Exchange Ltd |          |                            |                     | National Stock Exchange Ltd |          |
|----------------|---------------------------|----------|----------------------------|---------------------|-----------------------------|----------|
|                | High<br>₹                 | Low<br>₹ | Share Price<br>(closing) ₹ | Sensex<br>(closing) | High<br>₹                   | Low<br>₹ |
| April 2016     | 66.90                     | 56.05    | 59.95                      | 25606.62            | 64.45                       | 58.20    |
| May 2016       | 61.30                     | 56.15    | 58.00                      | 26667.96            | 61.60                       | 56.10    |
| June 2016      | 69.00                     | 55.25    | 62.45                      | 26999.72            | 69.80                       | 55.05    |
| July 2016      | 70.40                     | 62.60    | 64.00                      | 28051.86            | 69.40                       | 62.70    |
| August 2016    | 67.70                     | 57.10    | 64.70                      | 28452.17            | 67.70                       | 58.05    |
| September 2016 | 65.55                     | 58.00    | 58.25                      | 27865.96            | 65.65                       | 57.80    |
| October 2016   | 64.85                     | 55.10    | 59.90                      | 27930.21            | 64.85                       | 57.10    |
| November 2016  | 64.50                     | 49.50    | 54.40                      | 26652.81            | 60.00                       | 50.05    |
| December 2016  | 62.00                     | 51.55    | 55.00                      | 26626.46            | 62.70                       | 51.05    |
| January 2017   | 63.50                     | 53.50    | 59.80                      | 27655.96            | 63.45                       | 53.00    |
| February 2017  | 73.00                     | 58.10    | 67.80                      | 28743.32            | 74.90                       | 55.10    |
| March 2017     | 68.90                     | 61.45    | 63.75                      | 29620.50            | 68.95                       | 62.25    |

**(viii) Performance in comparison to BSE Sensex:**

Share Price Performance (April 2016 to March 2017)  
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 of shares to a Share Transfer Committee comprising Messrs. B. M. Khaitan, T. R. Swaminathan and R. S. Jhavar in order to expedite transfer, transmission etc. in the physical form. During the year the Committee met once every week for approving Share Transfers and for other related activities. Share Transfers are registered and returned in the normal course within an average period of 14 days, if the transfer documents are found technically in order and complete in all respects.

The Company conducts a weekly review of the functions of the Registrar and Share Transfer Agent for upgrading the level of service to the Shareholders. Weekly review is also conducted on the response to the shareholders pertaining to their communication and grievances, if any.

### (x) (a) Categories of Shareholders as on 31st March 2017

| Sr. No. | Category                       | No. of Shareholders | No. of Shares held | Percentage of holding |
|---------|--------------------------------|---------------------|--------------------|-----------------------|
| 1       | Promoters                      | 5                   | 6794443            | 62.0137               |
| 2       | Mutual Funds / UTI             | -                   | -                  | -                     |
| 3       | Financial Institutions / Banks | 5                   | 7880               | 0.0719                |
| 4       | Insurance Companies            | 1                   | 268973             | 2.4549                |
| 5       | Central / State Government(s)  | -                   | -                  | -                     |
| 6       | FII's / Foreign National       | 5                   | 21920              | 0.2001                |
| 7       | Bodies Corporate               | 136                 | 504697             | 4.6064                |
| 8       | NRI's / OCBs                   | 34                  | 67246              | 0.6138                |
| 9       | Resident Individuals           | 7817                | 3241328            | 29.584                |
| 10      | Clearing Member                | 46                  | 49873              | 0.4552                |
|         | <b>Total</b>                   | <b>8049</b>         | <b>10956360</b>    | <b>100.0000</b>       |

### (x) (b) Distribution of shareholding as on 31st March 2017

| Size of holding    | No. of holders | Percentage      | No. of Shares   | Percentage      |
|--------------------|----------------|-----------------|-----------------|-----------------|
| 1 to 500           | 7116           | 88.3975         | 512686          | 4.6793          |
| 501 to 1000        | 396            | 4.9193          | 322933          | 2.9474          |
| 1001 to 2000       | 245            | 3.0435          | 358487          | 3.2720          |
| 2001 to 3000       | 95             | 1.1801          | 248876          | 2.2715          |
| 3001 to 4000       | 58             | 0.7205          | 204751          | 1.8688          |
| 4001 to 5000       | 34             | 0.4224          | 161090          | 1.4703          |
| 5001 to 10000      | 63             | 0.7826          | 464836          | 4.2426          |
| 10001 and above    | 42             | 0.5342          | 8682701         | 79.2480         |
| <b>Grand Total</b> | <b>8049</b>    | <b>100.0000</b> | <b>10956360</b> | <b>100.0000</b> |

As on 31st March 2017, 10504876 of the Company's total shares representing 95.88% Shares were held in the dematerialized form and the balance 451484 representing 4.12% Shares were in the physical form.

**(xi) Dematerialization of Shares and liquidity**

The Shares of the Company are compulsorily traded in dematerialized 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) CEO / CFO Certification**

The Company is duly placing a certificate to the Board from the Manager & CFO in accordance with the provisions of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The aforesaid certificate duly signed by the Manager & CFO in respect of the financial year ended 31st March 2017 has been placed before the Board at the Meeting held on 30th May, 2017.

**(xv) Auditors' Certificate on Corporate Governance**

As required in terms of Listing Agreement, the Auditor's Certificate on compliance of the corporate governance norms is attached.

**(xvi) 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:**

Williamson Magor & Co. Limited  
Corporate Identity Number (CIN) : L01132WB1949PLC017715  
Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700001.  
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](mailto:administrator@wmg.co.in)  
Website: [www.wmtea.com](http://www.wmtea.com)

**(ii) Appointment of Common Agency for Share Registry Work**

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

**Maheshwari Datamatics Pvt. Ltd.**  
6, Mangoe Lane, 2nd Floor  
Surendra Mohan Ghosh Sarani  
Kolkata – 700001.



TEL: (033) 2243-5809; 2243-5029; 2248-2248

FAX: (033) 2248-4787 E-mail Id: [mdplc@yahoo.com](mailto:mdplc@yahoo.com)

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](mailto:investors_relation@wmg.co.in)

## 10. OTHER DISCLOSURES

- (i) Transactions with the related parties have been disclosed in Note No. 30 of the Notes to Financial Statements in the Annual Report for the year under review. There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large. **The Company has formulated a Related Party Transaction Policy which has been uploaded on the website of the Company [www.wmtea.com](http://www.wmtea.com) and can be accessed at <http://wmtea.com/images/rpt.pdf>**
- (ii) The Company has complied with all the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the financial year. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets during the financial years ended 31st March 2015, 31st March 2016 and 31st March 2017.
- (iii) The Company has a Whistle Blower Policy in place and no personnel has been denied access to the Audit Committee.
- (iv) The Company has a Remuneration Policy the details of which are given as a separate annexure which forms part of the Directors Report for the year ended 31st March, 2017.
- (v) (a) The Company has adopted separate Codes of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5)(a)(b) of SEBI(Listing Obligations and Disclosures Requirements) Regulations, 2015. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Manager & CFO.

The Company has formulated the following Codes under the SEBI (Prohibition of Insider Trading) Regulations, 2015:

- i) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- ii) Code of Conduct for Prevention of Insider Trading, 2015

(b) The existing Risk Management Committee of the Board of Directors of the Company monitors and reviews the risks associated with the Company's business operations and manages them effectively in accordance with the risk management system of the Company.

- (vi) All the mandatory requirements of SEBI Listing Regulations have been appropriately complied with and the compliance of the non-mandatory are given below. The Company has executed the fresh Agreements with BSE, NSE, and CSE as required under the newly enacted Listing Regulations.

### **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) Shareholder Rights**

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

**(iii) Audit Qualification**

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

**(iv) Training of Board Members**

**The Company has devised a familiarization programme for the Independent Directors of the Company which has been uploaded on the website of the Company [www.wmtea.com](http://www.wmtea.com) and which can be accessed at:**

[http://wmtea.com/images/FAMILIARISATION\\_PROGRAMME\\_FOR\\_INDEPENDENT\\_DIRECTORS.pdf](http://wmtea.com/images/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS.pdf)

**The Company had organized a familiarization programme for the Independent Directors during the year ended 31st March, 2017.**

**(v) Reporting of Internal Auditors**

The Internal Auditors of the Company are Independent and they report to the Audit Committee.

**11. COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS**

The Company has duly complied with the Corporate Governance requirements and there is no Non-Compliance of any requirement of Corporate Governance Report covered under sub-paras (2) to (10) of the Part C of Schedule V of the Listing Regulations.

**12. DISCRETIONARY REQUIREMENTS**

Details given in Clause 10(vi) above.

**13. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

The Company has duly complied with the Corporate Governance requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**14. REPORT ON CORPORATE GOVERNANCE**

As required by Schedule V of SEBI (LODR) Regulations 2015, a certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Directors' Report forming part of the Annual Report.

Kolkata  
8th August, 2017

For and on behalf of the Board  
**A. Khaitan – Vice Chairman**  
**R. S. Jhavar – Director**



## Annexure III

## AUDITOR'S 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 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

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, 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 SEBI Listing Regulations, 2015.

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 and on behalf of  
**Lovelock and Lewes**  
Firm Registration Number: 301056E  
*Chartered Accountants*

Place: Kolkata  
Date: August 8, 2017

**Pradip Law**  
*Partner*  
Membership No.: 51790

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

The Company has accepted a Code of Conduct to be followed by the Directors and Senior Management Personnel. 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, 2017.

Kolkata, 8th August, 2017

Tuladri Mallick  
Manager & CFO

**Annexure IV****Remuneration Policy of Williamson Magor & Co. Limited****PREAMBLE**

Every Listed Company is required to adopt a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee of the Board of Directors of the Company ('Board') formed pursuant to Section 178 of the Companies Act, 2013 ('Act') has formulated the criteria for determining qualifications, positive attributes and independence of a Director and recommended to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

Towards compliance of the above provisions of the Act and also Regulation 19(4) read with Part D (A) (1) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of Williamson Magor & Co. Ltd. ('WM'), being a Listed Company, has adopted this Remuneration Policy which is subject to review by the Nomination and Remuneration Committee of the Board and as when deemed necessary.

**OBJECTIVES OF THE POLICY**

The strategy of the Remuneration Policy is aimed at attracting and retaining a high standard of relevant talent to motivate qualified persons / Board Members and employees at the Executive level, to provide a well balanced and performance related remuneration package, taking into account the interest of the shareholders, industry standards and the regulatory provisions as applicable to the Company.

**SELECTION CRITERIA OF BOARD MEMBERS**

1. The Remuneration Policy ensures nomination of a suitable person for appointment as a Director of the Company with the objective of maintenance of Board diversity and such persons should possess basic academic qualification, requisite knowledge, experience in fields of varied industries and business skills that will benefit the Company and its business operations.
2. The criteria for determining positive attributes for appointment of any person as a Director includes the following:  
Achiever, constructive, creative, decisive, deliberative, devoted, diligent, disciplined, dynamic, enterprising, focused, result oriented, self confident and sees the whole picture.
3. In case of appointment of an Independent Director, the aforesaid Committee considers the criteria for determining independence of a person as stipulated in Section 149(6) of the Act and the Rules made there under as also provided in Regulation 19(4) read with Part D (A) (1) of Schedule II of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015.

**REMUNERATION OF EXECUTIVE DIRECTOR, MANAGER, COMPANY SECRETARY, CFO**

Remuneration of Executive Director, if any, Manager under the Companies Act, 2013 ('Manager'), Chief Financial Officer ('CFO'), the Company Secretary of the Company is approved by the Board of Directors ('Board') of the Company within the broad Remuneration Policy formulated and recommended by the Nomination and Remuneration Committee of the Board and in conformity with the relevant provisions of the Companies Act, 2013 and also subject to the approval of the Shareholders in their General Meeting, if required.

The Company does not have any Executive Director. The Company Secretary and the Manager & CFO are entitled to performance bonus for each financial year up to such an amount as may be determined by the Board. Such remuneration is linked to short and long term performance objectives appropriate to the working of the Company and its goals as well as the group to which the Company belongs to as well as on the concerned employee's qualification and the grade and the overall performance of such employee of the Company as a whole.

**REMUNERATION OF NON EXECUTIVE DIRECTORS**

Commission of the Non-Executive and the Independent Directors of the Company is determined by the Board based, inter alia, on Company's performance and the prevailing regulatory provisions and is payable on a uniform basis to reinforce the principle of collective responsibility. All the Non-Executive Directors and the Independent Directors



are also entitled to sitting fees for attending Meetings of the Board and Committees thereof, the quantum of which is determined by the Board within the limits as laid down in the Articles of Association of the Company. The sitting fees, as determined by the Board, is presently Rs. 10,000/- for attending each meeting of the Board, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The Non-Executive and the Independent Directors are reimbursed out of pocket expenses for attending Board and Committee Meetings of the Company at a city other than the one in which they reside.

#### **PUBLICATION AND OTHER PROVISIONS**

The Policy is annexed to the Report of the Board of Directors in terms of the relevant provisions of the Act. The provisions of the Articles of Association of the Company and all the applicable laws and regulations shall deal with any matter not provided in this policy and the right to interpret this policy shall vest in the Board of Directors of the Company.

Kolkata  
8th August, 2017

For and on behalf of the Board  
**A. Khaitan – Vice Chairman**  
**R. S. Jhawar – Director**



## CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTORS AND THE BOARD

The Nomination and Remuneration Committee has approved the following criteria for evaluation of Independent Directors and the Board in terms of Regulation 19(4) read with Part D (A) (2) of Schedule II of SEB (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

- I. Regular attendance in Board and Committee Meetings.
- II. Participation in discussions and contribution towards betterment and improvement of the Company's business operations.
- III. Expression of independent opinion on various matters taken up by the Board.
- IV. Adequate knowledge about the Company's business and the Country's business and economic scenario.
- V. Innovative ideas for growth of the Company and in solving problems faced by the Company.
- VI. In case of conflict of interest, prompt in disclosing the same.
- VII. Possessing long term vision for growth of the Company.

**Form No: AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

1. Details of contracts or arrangements or transactions not at arm's length basis
  - a) Name(s) of the related party and nature of relationship - Kilburn Engineering Limited (KEL) an Associate Company
  - b) Nature of contract/arrangements/transactions - To provide management and consultancy services to KEL such as support services for marketing for new orders of KEL products and for services for various legal matters and for management of financial and legal compliances of the Company
  - c) Duration of the contracts/arrangements/transactions - 2 years w.e.f. 1st April, 2017
  - d) Salient terms of the contracts or arrangements or transactions including the value, if any - At a consideration of ₹ 2 lakhs per month payable by KEL to the Company
  - e) Justification for entering into such contracts or arrangements or transactions - Necessary marketing support services to KEL and other support services to endure financial and legal compliances
  - f) Date(s) of approval by the Board - 3rd February, 2017
  - g) Amount paid as advances, if any - Nil
  - h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 - Not Applicable
2. Details of material contracts or arrangement of transactions at arm's length basis
  - a) Name(s) of the related party and nature of relationship - McNally Bharat Engineering Company Limited, an Associate Company
  - b) Nature of contracts/arrangements/transactions - Intercompany Loans granted by the Company to McNally Bharat Engineering Company Limited
  - c) Duration of the contracts/arrangements/transactions - Intercompany loan(s) granted on demand & call basis
  - d) Salient terms of the contracts or arrangements or transactions including the value, if any - Intercompany loan(s) granted during the year on demand & call basis at an interest rate not exceeding the permissible rate and the maximum outstanding of the said loans as on 31st March, 2017 stood at ₹ 59 crores.
  - e) Date(s) of approval by the Board, if any - Not Applicable since the inter company loans are granted by the Company to the said Company in the ordinary course of business and at arms length basis.
  - f) Amount paid as advances, if any - Not Applicable

Kolkata  
8th August, 2017

**A. Khaitan – Vice Chairman**  
**R. S. Jhawar – Director**



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

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

To

The Members,

**WILLIAMSON MAGOR & CO. LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WILLIAMSON MAGOR & CO. LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

The Company’s Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 (“SEBI Act”) or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
  - b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
  - c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
  - e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008



- f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998
- vi) The following Directions, Circulars and Guidelines prescribed by the Reserve Bank of India of India, inter alia, specifically applicable to the Company:
  - a) The Reserve Bank of India Act, 1934 (Chapter IIIB), Sec 45 IA
  - b) Master Circular dated 1st July, 2015 on Know Your Customer (KYC) Guidelines – Anti Money Laundering Standards (AML) – Prevention of Money Laundering Act, 2002
  - c) Master Circular dated 1st July, 2015 on Fair Practices Code
  - d) Master Circular dated 1st July, 2015 on Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015
  - e) Master Circular dated 1st July, 2015 on Miscellaneous Instructions to NBFC-ND-SI
  - f) Master Directions – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016
  - g) Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015
  - h) Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
  - i) Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016
  - j) Master Direction – Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2016
  - k) Master Direction – Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016
  - l) Master Direction on Know Your Customer (KYC) Direction, 2016
  - m) Other Circulars / Directions / Guidelines issued by RBI in relation to Non-Banking Financial Companies, from time to time;

We have also examined compliance with the applicable clauses of the following:

- a) The Secretarial Standards issued by The Institute of Company Secretaries of India
- b) The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Non Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.



- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the period under audit, there are no specific events / actions which have any major bearing on the Company's affairs.

This report is to be read with our letter of even date which is annexed as **Annexure-1** which forms an integral part of this report.

For MKB & Associates  
Company Secretaries

Manoj Kumar Banthia  
(Partner)

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

Date: 08.08.2017

Place: Kolkata

**ANNEXURE-1**

To

The Members,

**WILLIAMSON MAGOR & CO. LIMITED**

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates  
Company Secretaries

Manoj Kumar Banthia  
(Partner)

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

Date: 08.08.2017

Place: Kolkata



## Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:- L01132WB1949PLC017715
- ii) Registration Date: 10-03-1949
- iii) Name of the Company: Williamson Magor and Co. Limited
- iv) Category / Sub-Category of the Company: Public Limited Company; Limited by shares
- v) Address of the Registered office and contact details:  
Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata 700 001
- vi) Whether listed company: yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:

**M/s. Maheshwari Datamatics Pvt. Ltd.**

6, Mangoe Lane, 2nd Floor  
 Surendra Mohan Ghosh Sarani  
 Kolkata – 700001.  
 Tel.: (033) 2243-5029; 2243-5809; 2248-2248  
 Fax: (033) 2248-4787  
 E-mail: mdplc@yahoo.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services    | NIC Code of the Product / service | % to total turnover of the company |
|---------|-----------------------------------------------------|-----------------------------------|------------------------------------|
| 1.      | Investment                                          | 99711                             | 9.43 %                             |
| 2.      | Lending                                             | 99711                             | 78.72 %                            |
| 3.      | Rent, Maintenance & Management Consultancy Services | 6810, 7020                        | 11.85 %                            |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

| Sl. No. | Name and address of the Company                                                                       | CIN/GLN               | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|---------|-------------------------------------------------------------------------------------------------------|-----------------------|----------------------------------|------------------|--------------------|
| 1.      | Kilburn Engineering Limited<br>Four Mangoe Lane,<br>Surendra Mohan Ghosh Sarani,<br>Kolkata - 700 001 | L24232WB1987PLC042956 | Associate                        | 32.58%           | 2(6)               |



| Sl. No. | Name and address of the Company                                                                                     | CIN/GLN               | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|---------|---------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------------------|------------------|--------------------|
| 2.      | Eveready Industries India Limited<br>1, Middleton Street,<br>Kolkata - 700 071                                      | L31402WB1934PLC007993 | Associate                        | 23.40%           | 2(6)               |
| 3.      | Majerhat Estates & Developers Limited<br>Four Mangoe Lane,<br>Surendra Mohan Ghosh Sarani,<br>Kolkata - 700 001     | U70109WB1993PLC059569 | Associate                        | 49%              | 2(6)               |
| 4.      | D1 Williamson Magor Bio Fuel Limited<br>Four Mangoe Lane,<br>Surendra Mohan Ghosh Sarani,<br>Kolkata - 700001       | U40107WB2006PLC111183 | Associate                        | 15.70%           | 2(6)               |
| 5.      | McNally Bharat Engineering Company Limited<br>Four Mangoe Lane,<br>Surendra Mohan Ghosh Sarani,<br>Kolkata - 700001 | L45202WB1961PLC025181 | Associate                        | 23.26%           | 2(6)               |

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

##### (i) Category-wise Share Holding

| Category of Shareholders  | No. of Shares held at the beginning of the year |          |                |                   | No. of Shares held at the end of the year |          |                |                   | % Change during the year |
|---------------------------|-------------------------------------------------|----------|----------------|-------------------|-------------------------------------------|----------|----------------|-------------------|--------------------------|
|                           | Demat                                           | Physical | Total          | % of Total Shares | Demat                                     | Physical | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>       |                                                 |          |                |                   |                                           |          |                |                   |                          |
| <b>1) Indian</b>          |                                                 |          |                |                   |                                           |          |                |                   |                          |
| a) Individual/ HUF        | 15240                                           | 0        | 15240          | 0.1391            | 15240                                     | 0        | 15240          | 0.1391            | 0.0000                   |
| b) Central Govt           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| c) State Govt(s)          |                                                 |          |                |                   |                                           |          |                |                   |                          |
| d) Bodies Corp.           | 6779203                                         | 0        | 6779203        | 61.8746           | 6779203                                   | 0        | 6779203        | 61.8746           | 0.0000                   |
| e) Banks / FI             |                                                 |          |                |                   |                                           |          |                |                   |                          |
| f) Any Other              |                                                 |          |                |                   |                                           |          |                |                   |                          |
| <b>Sub-total (A)(1):-</b> | <b>6794443</b>                                  | <b>0</b> | <b>6794443</b> | <b>62.0137</b>    | <b>6794443</b>                            | <b>0</b> | <b>6794443</b> | <b>62.0137</b>    | <b>0.0000</b>            |



| Category of Shareholders                                  | No. of Shares held at the beginning of the year |          |                |                   | No. of Shares held at the end of the year |          |                |                   | % Change during the year |
|-----------------------------------------------------------|-------------------------------------------------|----------|----------------|-------------------|-------------------------------------------|----------|----------------|-------------------|--------------------------|
|                                                           | Demat                                           | Physical | Total          | % of Total Shares | Demat                                     | Physical | Total          | % of Total Shares |                          |
|                                                           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| <b>2) Foreign</b>                                         |                                                 |          |                |                   |                                           |          |                |                   |                          |
| a) NRIs - Individuals                                     |                                                 |          |                |                   |                                           |          |                |                   |                          |
| b) Other – Individuals                                    |                                                 |          |                |                   |                                           |          |                |                   |                          |
| c) Bodies Corp.                                           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| d) Banks / FI                                             |                                                 |          |                |                   |                                           |          |                |                   |                          |
| e) Any Other                                              |                                                 |          |                |                   |                                           |          |                |                   |                          |
| <b>Sub-total(A) (2):-</b>                                 | <b>0</b>                                        | <b>0</b> | <b>0</b>       | <b>0.0000</b>     | <b>0</b>                                  | <b>0</b> | <b>0</b>       | <b>0.0000</b>     | <b>0.0000</b>            |
|                                                           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | <b>6794443</b>                                  | <b>0</b> | <b>6794443</b> | <b>62.0137</b>    | <b>6794443</b>                            | <b>0</b> | <b>6794443</b> | <b>62.0137</b>    | <b>0.0000</b>            |
|                                                           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| <b>B. Public Shareholding</b>                             |                                                 |          |                |                   |                                           |          |                |                   |                          |
| <b>1. Institutions</b>                                    |                                                 |          |                |                   |                                           |          |                |                   |                          |
| a) Mutual Funds                                           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| b) Banks / FI                                             | 1000                                            | 6880     | 7880           | 0.0719            | 1000                                      | 6880     | 7880           | 0.0719            | 0.0000                   |
| c) Central Govt                                           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| d) State Govt(s)                                          |                                                 |          |                |                   |                                           |          |                |                   |                          |
| e) Venture Capital Funds                                  |                                                 |          |                |                   |                                           |          |                |                   |                          |
| f) Insurance Companies                                    |                                                 |          |                |                   |                                           |          |                |                   |                          |
| Life Insurance Corporation of India                       | 268973                                          | 0        | 268973         | 2.4549            | 268973                                    | 0        | 268973         | 2.4549            | 0.0000                   |
| g) FIIs                                                   |                                                 |          |                |                   |                                           |          |                |                   |                          |
| h) Foreign Venture Capital Funds                          |                                                 |          |                |                   |                                           |          |                |                   |                          |
| i) Others (specify)                                       |                                                 |          |                |                   |                                           |          |                |                   |                          |
|                                                           |                                                 |          |                |                   |                                           |          |                |                   |                          |
| Alternate Investment Funds                                |                                                 |          |                |                   |                                           |          |                |                   |                          |
| Foreign Portfolio Investors                               |                                                 |          |                |                   |                                           |          |                |                   |                          |



| Category of Shareholders                                                          | No. of Shares held at the beginning of the year |             |               |                   | No. of Shares held at the end of the year |             |               |                   | % Change during the year |
|-----------------------------------------------------------------------------------|-------------------------------------------------|-------------|---------------|-------------------|-------------------------------------------|-------------|---------------|-------------------|--------------------------|
|                                                                                   | Demat                                           | Physical    | Total         | % of Total Shares | Demat                                     | Physical    | Total         | % of Total Shares |                          |
| Provident Funds / Pension Funds                                                   |                                                 |             |               |                   |                                           |             |               |                   |                          |
| Qualified Foreign Investor                                                        |                                                 |             |               |                   |                                           |             |               |                   |                          |
| <b>Sub-total (B)(1):-</b>                                                         | <b>269973</b>                                   | <b>6880</b> | <b>276853</b> | <b>2.5268</b>     | <b>269973</b>                             | <b>6880</b> | <b>276853</b> | <b>2.5268</b>     | <b>0.0000</b>            |
| <b>2. Non-Institutions</b>                                                        |                                                 |             |               |                   |                                           |             |               |                   |                          |
| <b>a) Bodies Corp.</b>                                                            |                                                 |             |               |                   |                                           |             |               |                   |                          |
| i) Indian                                                                         | 426045                                          | 24730       | 450775        | 4.1143            | 479867                                    | 24730       | 504597        | 4.6055            | 0.4912                   |
| ii) Overseas                                                                      |                                                 |             |               |                   |                                           |             |               |                   |                          |
| <b>b) Individuals</b>                                                             |                                                 |             |               |                   |                                           |             |               |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs         | 1645712                                         | 312401      | 1958113       | 17.8719           | 1665513                                   | 312254      | 1977767       | 18.0513           | 0.1794                   |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakhs | 1292583                                         | 69220       | 1361803       | 12.4293           | 1194341                                   | 69220       | 1263561       | 11.5327           | -0.8966                  |
| <b>c) Others (specify)</b>                                                        |                                                 |             |               |                   |                                           |             |               |                   |                          |
| Non Resident Indians                                                              | 52434                                           | 16480       | 68914         | 0.6290            | 50766                                     | 16480       | 67246         | 0.6138            | -0.0152                  |
| Qualified Foreign Investor                                                        |                                                 |             |               |                   |                                           |             |               |                   |                          |
| Custodian of Enemy Property                                                       |                                                 |             |               |                   |                                           |             |               |                   |                          |
| Foreign Nationals                                                                 | 0                                               | 21920       | 21920         | 0.2001            | 0                                         | 21920       | 21920         | 0.2001            | 0.0000                   |
| Clearing Members                                                                  | 23539                                           | 0           | 23539         | 0.2148            | 49873                                     | 0           | 49873         | 0.4552            | 0.2404                   |
| Trusts                                                                            |                                                 |             |               |                   |                                           |             |               |                   |                          |
| Foreign Bodies - D R                                                              |                                                 |             |               |                   |                                           |             |               |                   |                          |
| Foreign Portfolio Investors                                                       |                                                 |             |               |                   |                                           |             |               |                   |                          |
| NBFCs registered with RBI                                                         | 0                                               | 0           | 0             | 0.0000            | 100                                       | 0           | 100           | 0.0009            | 0.0009                   |
| Employment Trusts                                                                 |                                                 |             |               |                   |                                           |             |               |                   |                          |



| Category of Shareholders                               | No. of Shares held at the beginning of the year |               |                 |                   | No. of Shares held at the end of the year |               |                 |                   | % Change during the year |
|--------------------------------------------------------|-------------------------------------------------|---------------|-----------------|-------------------|-------------------------------------------|---------------|-----------------|-------------------|--------------------------|
|                                                        | Demat                                           | Physical      | Total           | % of Total Shares | Demat                                     | Physical      | Total           | % of Total Shares |                          |
| Domestic Corporate Unclaimed Shares Account            |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| Investor Education and Protection Fund Authority       |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| <b>Sub-total (B)(2):-</b>                              | <b>3440313</b>                                  | <b>444751</b> | <b>3885064</b>  | <b>35.4594</b>    | <b>3440460</b>                            | <b>444604</b> | <b>3885064</b>  | <b>35.4594</b>    | <b>0.0001</b>            |
|                                                        |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>    | <b>3710286</b>                                  | <b>451631</b> | <b>4161917</b>  | <b>37.9863</b>    | <b>3710433</b>                            | <b>451484</b> | <b>4161917</b>  | <b>37.9863</b>    | <b>0.0001</b>            |
|                                                        |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b> |                                                 |               |                 |                   |                                           |               |                 |                   |                          |
| <b>Grand Total (A+B+C)</b>                             | <b>10504729</b>                                 | <b>451631</b> | <b>10956360</b> | <b>100.0000</b>   | <b>10504876</b>                           | <b>451484</b> | <b>10956360</b> | <b>100.0000</b>   | <b>0.0000</b>            |

(ii) *Shareholding of Promoters*

| Sl No. | Shareholder's Name        | Shareholding at the beginning of the year |                                  |                                                  | Shareholding at the end of the year |                                  |                                                  | % change in shareholding during the year |
|--------|---------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
|        |                           | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |                                          |
| 1      | Brij Mohan Khaitan        | 12,840                                    | 0.1172                           | 0.0000                                           | 12,840                              | 0.1172                           | 0.0000                                           | 0.0000                                   |
| 2      | Estate of Shanti Khaitan  | 2,400                                     | 0.0219                           | 0.0000                                           | 2,400                               | 0.0219                           | 0.0000                                           | 0.0000                                   |
| 3      | Bishnauth Investments Ltd | 50,36,629                                 | 45.9699                          | 0.0000                                           | 50,36,629                           | 45.9699                          | 0.0000                                           | 0.0000                                   |
| 4      | United Machine Co Ltd     | 9,07,210                                  | 8.2802                           | 0.0000                                           | 9,07,210                            | 8.2802                           | 0.0000                                           | 0.0000                                   |
| 5      | Ichamati Investments Ltd  | 8,35,364                                  | 7.6245                           | 0.0000                                           | 8,35,364                            | 7.6245                           | 0.0000                                           | 0.0000                                   |

(iii) *Change in Promoters' Shareholding ( please specify, if there is no change)*

| Sl. No. | Name of Promoter                                                                                                                                                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                       | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | B.M. Khaitan                                                                                                                                                          |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                          | 12,840                                    | 0.1172                           |                                         |                                  |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | No Change During the year                 |                                  |                                         |                                  |
|         | At the End of the year                                                                                                                                                | 12,840                                    | 0.1172                           | 12,840                                  | 0.1172                           |
| 2.      | Estate of Shanti Khaitan                                                                                                                                              |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                          | 2400                                      | 0.0219                           |                                         |                                  |
|         | Reclassification as promoter of the Company as on 31st March, 2015                                                                                                    | 2400                                      | 0.0219                           | 2400                                    | 0.0219                           |
|         | At the End of the year                                                                                                                                                | 2400                                      | 0.0219                           | 2400                                    | 0.0219                           |
| 3.      | Bishnauth Investments Ltd                                                                                                                                             |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                          | 50,36,629                                 | 45.9699                          |                                         |                                  |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | No Change During the year                 |                                  |                                         |                                  |
|         | At the End of the year                                                                                                                                                | 50,36,629                                 | 45.9699                          | 50,36,629                               | 45.9699                          |
| 4.      | United Machine Co Ltd                                                                                                                                                 |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                          | 9,07,210                                  | 8.2802                           |                                         |                                  |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | No Change During the year                 |                                  |                                         |                                  |
|         | At the End of the year                                                                                                                                                | 9,07,210                                  | 8.2802                           | 9,07,210                                | 8.2802                           |
| 5.      | Ichamati Investments Ltd                                                                                                                                              |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                          | 8,35,364                                  | 7.6245                           |                                         |                                  |



| Sl. No. | Name of Promoter                                                                                                                                                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                       | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | No Change During the year                 |                                  |                                         |                                  |
|         | At the End of the year                                                                                                                                                | 8,35,364                                  | 7.6245                           | 8,35,364                                | 7.6245                           |

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sl. No. | For Each of the Top 10 Shareholders              | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                  | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | LIFE INSURANCE CORPORATION OF INDIA / AAACL0582H |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                     | 268973                                    | 2.4549                           |                                         |                                  |
|         | At the end of the year                           | 268973                                    | 2.4549                           | 268973                                  | 2.4549                           |
| 2.      | NINJA SECURITIES PRIVATE LIMITED / AAACN2336B    |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                     | 24013                                     | 0.2192                           |                                         |                                  |
|         | As on 29/07/2016 - Transfer                      | 2742                                      | 0.0250                           | 26755                                   | 0.2442                           |
|         | As on 05/08/2016 - Transfer                      | 1000                                      | 0.0091                           | 27755                                   | 0.2533                           |
|         | As on 19/08/2016 - Transfer                      | 5463                                      | 0.0499                           | 33218                                   | 0.3032                           |
|         | As on 26/08/2016 - Transfer                      | 2803                                      | 0.0256                           | 36021                                   | 0.3288                           |
|         | As on 09/09/2016 - Transfer                      | 624                                       | 0.0057                           | 36645                                   | 0.3345                           |
|         | As on 16/09/2016 - Transfer                      | 504                                       | 0.0046                           | 37149                                   | 0.3391                           |
|         | As on 07/10/2016 - Transfer                      | 530                                       | 0.0048                           | 37679                                   | 0.3439                           |
|         | As on 03/02/2017 - Transfer                      | -2500                                     | 0.0228                           | 35179                                   | 0.3211                           |
|         | As on 10/02/2017 - Transfer                      | -2950                                     | 0.0269                           | 32229                                   | 0.2942                           |
|         | As on 17/02/2017 - Transfer                      | -7787                                     | 0.0711                           | 24442                                   | 0.2231                           |
|         | As on 21/02/2017 - Transfer                      | 500                                       | 0.0046                           | 24942                                   | 0.2276                           |
|         | As on 10/02/2017 - Transfer                      | 4                                         | 0.0000                           | 24946                                   | 0.2277                           |
|         | At the end of the year                           | 24946                                     | 0.2277                           | 24946                                   | 0.2277                           |
| 3.      | V N ENTERPRISES LIMITED/ AAACV8991L              |                                           |                                  |                                         |                                  |



| Sl. No. | For Each of the Top 10 Shareholders                 | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-----------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                     | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the beginning of the year                        | 250400                                    | 2.2854                           |                                         |                                  |
|         | At the end of the year                              | 250400                                    | 2.2854                           | 250400                                  | 2.2854                           |
|         |                                                     |                                           |                                  |                                         |                                  |
| 4.      | MAHENDRA GIRDHARILAL<br>*/ AAAPW1327L               |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                        | 0                                         | 0.0000                           |                                         |                                  |
|         | As on 17/02/2017 - Transfer                         | 5196                                      | 0.0474                           | 5196                                    | 0.0474                           |
|         | As on 24/02/2017 - Transfer                         | 4100                                      | 0.0374                           | 9296                                    | 0.0848                           |
|         | As on 03/03/2017 - Transfer                         | 6825                                      | 0.0623                           | 16121                                   | 0.1471                           |
|         | As on 10/03/2017 - Transfer                         | 16354                                     | 0.1493                           | 32475                                   | 0.2964                           |
|         | As on 17/03/2017 - Transfer                         | 7239                                      | 0.0661                           | 39714                                   | 0.3625                           |
|         | As on 24/03/2017 - Transfer                         | 11048                                     | 0.1008                           | 50762                                   | 0.4633                           |
|         | At the end of the year                              | 50762                                     | 0.4633                           | 50762                                   | 0.4633                           |
|         |                                                     |                                           |                                  |                                         |                                  |
| 5.      | MANISHKUMAR<br>SUMATILAL MEHTA(HUF) /<br>AABHM5594E |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                        | 47090                                     | 0.4298                           |                                         |                                  |
|         | As on 19/08/2016 - Transfer                         | 15633                                     | 0.1427                           | 62723                                   | 0.5725                           |
|         | As on 26/08/2016 - Transfer                         | 6025                                      | 0.0550                           | 68748                                   | 0.6275                           |
|         | At the end of the year                              | 68748                                     | 0.6275                           | 68748                                   | 0.6275                           |
|         |                                                     |                                           |                                  |                                         |                                  |
| 6.      | HITESH RAMJI JAVERI /<br>AABPJ4691H                 |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                        | 365000                                    | 3.3314                           |                                         |                                  |
|         | At the end of the year                              | 365000                                    | 3.3314                           | 365000                                  | 3.3314                           |
|         |                                                     |                                           |                                  |                                         |                                  |
| 7.      | HARSHA HITESH JAVERI /<br>AAEPJ7739F                |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                        | 180600                                    | 1.6484                           |                                         |                                  |
|         | At the end of the year                              | 180600                                    | 1.6484                           | 180600                                  | 1.6484                           |
|         |                                                     |                                           |                                  |                                         |                                  |
| 8.      | JINAL PRAFUL SHAH# /<br>AAFPS3374Q                  |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                        | 36381                                     | 0.3321                           |                                         |                                  |
|         | As on 17/06/2016 - Transfer                         | -1738                                     | 0.0159                           | 34643                                   | 0.3162                           |
|         | As on 22/07/2016 - Transfer                         | -150                                      | 0.0014                           | 34493                                   | 0.3148                           |
|         | As on 26/08/2016 - Transfer                         | -6493                                     | 0.0593                           | 28000                                   | 0.2556                           |
|         | As on 07/10/2016 - Transfer                         | -2000                                     | 0.0183                           | 26000                                   | 0.2373                           |
|         | As on 28/10/2016 - Transfer                         | -545                                      | 0.0050                           | 25455                                   | 0.2323                           |
|         | As on 23/12/2016 - Transfer                         | -1455                                     | 0.0133                           | 24000                                   | 0.2191                           |



| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                     | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | As on 30/12/2016 - Transfer         | -1000                                     | 0.0091                           | 23000                                   | 0.2099                           |
|         | As on 06/01/2017 - Transfer         | -8000                                     | 0.0730                           | 15000                                   | 0.1369                           |
|         | As on 13/01/2017 - Transfer         | -4505                                     | 0.0411                           | 10495                                   | 0.0958                           |
|         | As on 17/02/2017 - Transfer         | -3995                                     | 0.0365                           | 6500                                    | 0.0593                           |
|         | At the end of the year              | 6500                                      | 0.0593                           | 6500                                    | 0.0593                           |
| 9.      | G SHANKAR/AAPPS7304A                |                                           |                                  |                                         |                                  |
|         | At the beginning of the year        | 19322                                     | 0.1764                           |                                         |                                  |
|         | As on 17/06/2016 - Transfer         | -4260                                     | 0.0389                           | 15062                                   | 0.1375                           |
|         | As on 08/07/2016 - Transfer         | -9901                                     | 0.0904                           | 5161                                    | 0.0471                           |
|         | As on 15/07/2016 - Transfer         | -5161                                     | 0.0471                           | 0                                       | 0.0000                           |
|         | As on 16/09/2016 - Transfer         | 3580                                      | 0.0327                           | 3580                                    | 0.0327                           |
|         | As on 23/09/2016 - Transfer         | 1125                                      | 0.0103                           | 4705                                    | 0.0429                           |
|         | As on 07/10/2016 - Transfer         | 730                                       | 0.0067                           | 5435                                    | 0.0496                           |
|         | As on 21/10/2016 - Transfer         | 15564                                     | 0.1421                           | 20999                                   | 0.1917                           |
|         | As on 28/10/2016 - Transfer         | 5410                                      | 0.0494                           | 26409                                   | 0.2410                           |
|         | As on 04/11/2016 - Transfer         | 12000                                     | 0.1095                           | 38409                                   | 0.3506                           |
|         | As on 11/11/2016 - Transfer         | 7000                                      | 0.0639                           | 45409                                   | 0.4145                           |
|         | As on 10/02/2017 - Transfer         | -9764                                     | 0.0891                           | 35645                                   | 0.3253                           |
|         | As on 17/02/2017 - Transfer         | -23826                                    | 0.2175                           | 11819                                   | 0.1079                           |
|         | As on 24/02/2017 - Transfer         | -11819                                    | 0.1079                           | 0                                       | 0.0000                           |
|         | At the end of the year              | 0                                         | 0.0000                           | 0                                       | 0.0000                           |
| 10.     | PRATIK SHAILESH SHAH / AAWPS9346K   |                                           |                                  |                                         |                                  |
|         | At the beginning of the year        | 115000                                    | 1.0496                           |                                         |                                  |
|         | As on 17/02/2017 - Transfer         | -5000                                     | 0.0456                           | 110000                                  | 1.0040                           |
|         | At the end of the year              | 110000                                    | 1.0040                           | 110000                                  | 1.0040                           |
| 11.     | KETAN DAMODHAR BAHETI */ABCPB4802C  |                                           |                                  |                                         |                                  |
|         | At the beginning of the year        | 0                                         | 0.0000                           |                                         |                                  |
|         | As on 30/12/2016 - Transfer         | 23000                                     | 0.2099                           | 23000                                   | 0.2099                           |
|         | As on 10/02/2017 - Transfer         | 14498                                     | 0.1323                           | 37498                                   | 0.3422                           |
|         | As on 03/03/2017 - Transfer         | -2498                                     | 0.0228                           | 35000                                   | 0.3194                           |
|         | As on 10/03/2017 - Transfer         | -77                                       | 0.0007                           | 34923                                   | 0.3187                           |
|         | As on 24/03/2017 - Transfer         | 13038                                     | 0.1190                           | 47961                                   | 0.4377                           |
|         | At the end of the year              | 2039                                      | 0.0186                           | 50000                                   | 0.4564                           |



| Sl. No. | For Each of the Top 10 Shareholders        | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                            | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 12.     | VAIBHAV S SHAH / ABEPS4480K                |                                           |                                  |                                         |                                  |
|         | At the beginning of the year               | 43213                                     | 0.3944                           |                                         |                                  |
|         | At the end of the year                     | 43213                                     | 0.3944                           | 43213                                   | 0.3944                           |
| 13.     | NIRAL VIJAY SHAH / ADEPS9380A              |                                           |                                  |                                         |                                  |
|         | At the beginning of the year               | 35000                                     | 0.3194                           |                                         |                                  |
|         | At the end of the year - Transfer          | 35000                                     | 0.3194                           | 35000                                   | 0.3194                           |
| 14.     | JIGISHABEN MITESHKUMAR SHAH # / ALYPS8655C |                                           |                                  |                                         |                                  |
|         | At the beginning of the year               | 30000                                     | 0.2738                           |                                         |                                  |
|         | As on 25/11/2016 - Transfer                | -546                                      | 0.0050                           | 29454                                   | 0.2688                           |
|         | At the end of the year                     | 29454                                     | 0.2688                           | 29454                                   | 0.2688                           |

\*Not in the list of Top 10 shareholders as on 01/04/2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2017.

#Ceased to be in the list of Top 10 shareholders as on 31/03/2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2016.

**(v) Shareholding of Directors and Key Managerial Personnel:**

| Sl. No. | For Each of the Directors and KMP                                                                                                                                    | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                      | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1.      | <b>B. M. Khaitan</b>                                                                                                                                                 |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                         | 12840                                     | 0.1172                           |                                         |                                  |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | No change during the year                 |                                  |                                         |                                  |
|         | At the End of the year                                                                                                                                               | 12840                                     | 0.1172                           | 12840                                   | 0.1172                           |
| 2.      | <b>T. R. Swaminathan</b>                                                                                                                                             |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                         | 2340                                      | 0.0214                           |                                         |                                  |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | No change during the year                 |                                  |                                         |                                  |



| Sl. No. | For Each of the Directors and KMP                                                                                                                                    | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                                                                                                                      | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|         | At the End of the year                                                                                                                                               | 2340                                      | 0.0214                           | 2340                                    | 0.0214                           |
| 3.      | <b>H. U. Sanghavi</b>                                                                                                                                                |                                           |                                  |                                         |                                  |
|         | At the beginning of the year                                                                                                                                         | 1                                         | 0.0000                           |                                         |                                  |
|         | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | No change during the year                 |                                  |                                         |                                  |
|         | At the End of the year                                                                                                                                               | 1                                         | 0.0000                           | 1                                       | 0.0000                           |

## V. INDEBTEDNESS

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

(in ₹ '000)

|                                                            | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|------------------------------------------------------------|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount                                        | 19,28,994                        | 18,55,000       | -        | 37,83,994          |
| ii) Interest due but not paid                              | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                          | 6,650                            | 1,19,590        | -        | 1,26,240           |
| <b>Total (i+ii+iii)</b>                                    | 19,35,644                        | 19,74,590       | -        | 39,10,234          |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                 |          |                    |
| • Addition                                                 | 40,80,730                        | 1,08,18,604     | -        | 1,48,99,334        |
| • Reduction                                                | 25,64,052                        | 1,11,95,191     | -        | (1,37,59,243)      |
| <b>Net Change</b>                                          | 15,16,678                        | (3,76,587)      | -        | 11,40,091          |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                 |          |                    |
| i) Principal Amount                                        | 34,52,322                        | 15,53,000       | -        | 50,05,322          |
| ii) Interest due but not paid                              | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                          | -                                | 45,003          | -        | 45,003             |
| <b>Total (i+ii+iii)</b>                                    | 34,52,322                        | 15,98,003       | -        | 50,50,325          |

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in ₹ '000)

| Sl. No. | Particulars of Remuneration | Name of MD/WTM/ Manager         | Total Amount |
|---------|-----------------------------|---------------------------------|--------------|
|         |                             | Tuladri Mallick - Manager & CFO |              |
| 1.      | Gross salary                |                                 |              |



|    |                                                                                     |     |       |
|----|-------------------------------------------------------------------------------------|-----|-------|
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 879 | 879   |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -   | -     |
|    | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -   | -     |
| 2. | Stock Option                                                                        | -   | -     |
| 3. | Sweat Equity                                                                        | -   | -     |
| 4. | Commission - as % of profit - others, specify...                                    | -   | -     |
| 5. | Others, please specify (exgratia)                                                   | 120 | 120   |
|    | Total (A)                                                                           | 999 | 999   |
|    | Ceiling as per the Act                                                              |     | 24210 |

## B. Remuneration to other directors:

(in ₹ '000)

| Sl. No. | Particulars of Remuneration                    | Name of Directors |            |                    |                   |              |                   |          |                |             |              | Total Amount |
|---------|------------------------------------------------|-------------------|------------|--------------------|-------------------|--------------|-------------------|----------|----------------|-------------|--------------|--------------|
|         |                                                | B.M. Khaitan      | A. Khaitan | Amritanshu Khaitan | T. R. Swaminathan | R. S. Jhawar | Dr. R. Srinivasan | G. Momen | Bharat Bajoria | H.M. Parekh | Sonali Singh |              |
| 1.      | Independent Directors                          |                   |            |                    |                   |              |                   |          |                |             |              |              |
|         | • Fee for attending board & committee meetings |                   |            |                    | 130               |              | 110               | 120      | 50             | 60          | 40           | 510          |
|         | • Commission                                   |                   |            |                    |                   |              |                   |          |                |             |              |              |
|         | • Others, please specify                       |                   |            |                    |                   |              |                   |          |                |             |              |              |
|         | Total (1)                                      |                   |            |                    | 130               |              | 110               | 120      | 50             | 60          | 40           | 510          |
| 2.      | Other Non-Executive Directors                  |                   |            |                    |                   |              |                   |          |                |             |              |              |
|         | • Fee for attending board & committee meetings | 40                | 50         | 40                 |                   | 80           |                   |          |                |             |              | 210          |
|         | • Commission                                   |                   |            |                    |                   |              |                   |          |                |             |              |              |
|         | • Others, please specify                       |                   |            |                    |                   |              |                   |          |                |             |              |              |
|         | Total (2)                                      | 40                | 50         | 40                 |                   | 80           |                   |          |                |             |              | 210          |
|         | Total (B)=(1+2)                                | 40                | 50         | 40                 | 130               | 80           | 110               | 120      | 50             | 60          | 40           | 720          |
|         | Total Managerial Remuneration                  |                   |            |                    |                   |              |                   |          |                |             |              |              |
|         | Overall Ceiling as per the Act                 |                   |            |                    |                   |              |                   |          |                |             |              |              |



## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(in ₹ '000)

| Sl. No. | Particulars of Renumeration                                                         | Key Managerial Personnel |                   |     |       |
|---------|-------------------------------------------------------------------------------------|--------------------------|-------------------|-----|-------|
|         |                                                                                     | CEO                      | Company Secretary | CFO | Total |
|         | Gross salary                                                                        |                          |                   |     |       |
| 1.      | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                        | 1754              | -   | 1754  |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                        | -                 | -   | -     |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                        | -                 | -   | -     |
| 2.      | Stock Option                                                                        | -                        | -                 | -   | -     |
| 3.      | Sweat Equity                                                                        | -                        | -                 | -   | -     |
| 4.      | Commission - as % of profit - others, specify...                                    | -                        | -                 | -   | -     |
| 5.      | Others, please specify (exgratia)                                                   | -                        | 200               | -   | 200   |
|         | Total                                                                               |                          | 1954              |     | 1954  |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type                                | Section of the Companies Act, 2013 | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------------|-------------------|------------------------------------------------------------|-------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                                    |                   |                                                            |                               |                                    |
| Penalty                             | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| Punishment                          | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| Compounding                         | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| <b>B. DIRECTORS</b>                 |                                    |                   |                                                            |                               |                                    |
| Penalty                             | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| Punishment                          | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| Compounding                         | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                                    |                   |                                                            |                               |                                    |
| Penalty                             | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| Punishment                          | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |
| Compounding                         | NIL                                | NIL               | NIL                                                        | NIL                           | NIL                                |

Kolkata  
8th August, 2017

For and on behalf of the Board  
A. Khaitan – Vice Chairman  
R. S. Jhawar – Director



## Annexure VIII

**Particulars of employees**

Pursuant to section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration) Rules 2014  
Information Pursuant to section 197(12) read with Rule 5(1) of the  
Companies (Appointment and Remuneration) Rules 2014

|   |                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;                                                                                                                                                                                                                   | Brij Mohan Khaitan - 3/79<br>A. Khaitan - 1/21<br>Amritanshu Khaitan - 3/79<br>Rama Shankar Jhawar - 7/92<br>T. R. Swaminathan - 11/89<br>Dr. R. Srinivasan - 9/86<br>Golam Momen - 11/89<br>Bharat Bajoria - 1/21<br>H. M. Parekh - 2/35<br>Sonali Singh - 3/79                                                                                                                                                                                                                                                                                                |
| 2 | the percentage increase / decrease in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;                                                                                                                                                                 | <u>(a) % increase/decrease in remuneration of each director from last financial year:</u><br>Brij Mohan Khaitan : 0.00%<br>A. Khaitan : 25.00%<br>Amritanshu Khaitan : 0.00%<br>Rama Shankar Jhawar : 100.00%<br>T. R. Swaminathan : 44.44%<br>Dr. R. Srinivasan : 37.50%<br>Golam Momen : 44.44%<br>Bharat Bajoria : 25.00%<br>H. M. Parekh : - 25.00%<br>Sonali Singh : 0.00%<br><u>(b) % increase in remuneration of CFO from last financial year - 9.79%</u><br><u>(c) % increase in remuneration of Company Secretary from last financial year - 8.57%</u> |
| 3 | the percentage increase in the median remuneration of employees in the financial year;                                                                                                                                                                                                                                                              | % increase/decrease in median remuneration of employees from last financial year - 9.79%                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 4 | the number of permanent employees on the rolls of company;                                                                                                                                                                                                                                                                                          | Three                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 5 | average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | Not Applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 6 | affirmation that the remuneration is as per the remuneration policy of the company.                                                                                                                                                                                                                                                                 | The remuneration paid during the financial year ended 31st March, 2017 is in terms of the remuneration policy of the company.                                                                                                                                                                                                                                                                                                                                                                                                                                   |



Information Pursuant to section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(I) The following are the names of employees in terms of remuneration drawn:-

| Name               | Designation                       | Remuneration received (in ₹ Lakhs) | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of commencement of employment | Age (years) | The last employment held before joining the company                           | The percentage of equity shares held | Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager |
|--------------------|-----------------------------------|------------------------------------|--------------------------------------------------------|-----------------------------------------------|------------------------------------|-------------|-------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Tuladri Mallick    | Manager & Chief Financial Officer | 10.51                              | Contractual Employment                                 | M.COM, ACA                                    | 01.08.2013                         | 32          | N.A.                                                                          | 0.00                                 | No                                                                                                                            |
| H. U. Sanghavi     | Company Secretary                 | 19.54                              | Permanent employment                                   | B.Com (Hons), ACA, ACS                        | 01.04.2009                         | 58          | The Moran Tea Co.(India) Ltd (since merged with Mcleod Russel India Limited). | 0.00                                 | No                                                                                                                            |
| Yashodhara Khaitan | Manager Investments               | 10.31                              | Permanent Employment                                   | Graduate                                      | 01.06.2015                         | 60          | N.A.                                                                          | 0.00                                 | Mr. Amritanshu Khaitan - Son<br>Mr. B. M. Khaitan - Father -in-law                                                            |

For and on behalf of the Board

**A. Khaitan – Vice Chairman**  
**R. S. Jhawar – Director**

Kolkata  
8th August, 2017



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

Pursuant to Section 134(3) of the Companies Act, 2013 Read with Rule 8(3) of Companies (Accounts) Rules, 2014

**(A) CONSERVATION OF ENERGY**

Nil

**(B) TECHNOLOGY ABSORPTION**

Nil

**(C) FOREIGN EXCHANGE EARNINGS & OUTGO**

Total Foreign Exchange:

Earned Nil

Outgo ₹ 3.40 lakhs

Kolkata  
8th August, 2017

For and on behalf of the Board  
**A. Khaitan – Vice Chairman**  
**R. S. Jhawar – Director**



## INDEPENDENT AUDITORS' REPORT

To the Members of Williamson Magor & Co. Limited

### Report on the Standalone Financial Statements

1. We have audited the accompanying Standalone Financial Statements of Williamson Magor & Co. Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and 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 it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
    - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone financial statements – Refer Note 25A(a).
    - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017 for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note: 37.

For Lovelock & Lewes  
Firm Registration Number: 301056E  
*Chartered Accountants*

Pradip Law  
*Partner*  
Membership Number 51790

Kolkata  
May 30, 2017



## Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Williamson Magor & Co. Limited on the standalone financial statements as of and for the year ended March 31, 2017

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Williamson Magor & Co. Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Lovelock & Lewes  
Firm Registration Number: 301056E  
*Chartered Accountants*

Pradip Law  
*Partner*  
Membership Number 51790

Kolkata  
May 30, 2017



## Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Williamson Magor & Co. Limited on the standalone financial statements as of and for the year ended March 31, 2017.

- i. (a) The Company is maintaining 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) The title deeds of immovable properties, as disclosed in Note 11 on tangible assets to the standalone financial statements, are held in the name of the Company, except for the following, in respect of which we are unable to comment whether the title deeds are in the name of the Company due to non-availability of such title deeds as set out in Note 11 (a) to the standalone financial statements.

| Particulars                    | Class of Asset | Gross Block Amount<br>(₹ in thousand) | Net Block Amount<br>(₹ in thousand) |
|--------------------------------|----------------|---------------------------------------|-------------------------------------|
| One property located at Mumbai | Buildings      | 912                                   | 247                                 |

- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the loans and investments made, and guarantees and security provided by it, as applicable.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues in respect of service tax, provident fund, employees' state insurance, sales tax, income tax, duty of customs, duty of excise, value added tax, cess 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, there are no dues of sales tax, income tax, duty of customs, value added tax and cess which have not been deposited on account of any dispute. The particulars of dues of service tax and duty of excise as at March 31, 2017 which have not been deposited on account of a dispute are as follows:

| Name of the statute      | Nature of dues                            | Amount<br>(₹ in thousand)   | Period to which<br>the amount relates | Forum where the dispute is<br>pending                                         |
|--------------------------|-------------------------------------------|-----------------------------|---------------------------------------|-------------------------------------------------------------------------------|
| Central Excise Act, 1944 | Interest on Duty of Excise                | 711                         | 1987-88                               | Hon'ble High Court of Chennai                                                 |
| Finance Act, 1994        | Service Tax, Penalty and interest thereon | 14,237 and interest thereon | 2005-06, 2006-07, 2007-08 and 2008-09 | Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata |
| Finance Act, 1994        | Service Tax, Penalty and interest thereon | 11,931 and interest thereon | 2004-05 and 2005-06                   | Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata |



- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to any financial institution or bank or Government or dues to debenture holders, as applicable, as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments).
- x. 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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with therequisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is required to, and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as anon-banking financial institution without accepting public deposits.

For Lovelock & Lewes  
Firm Registration Number: 301056E  
*Chartered Accountants*

Pradip Law  
*Partner*  
Membership Number 51790

Kolkata  
May 30, 2017



## BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars                                                                               | Note No. | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-------------------------------------------------------------------------------------------|----------|----------------------------|----------------------------|
| <b>Equity and Liabilities</b>                                                             |          |                            |                            |
| <b>Shareholders' Funds</b>                                                                |          |                            |                            |
| Share Capital                                                                             | 2        | 109,564                    | 109,564                    |
| Reserves and Surplus                                                                      | 3        | 810,400                    | 959,351                    |
|                                                                                           |          | <b>919,964</b>             | <b>1,068,915</b>           |
| <b>Non-current Liabilities</b>                                                            |          |                            |                            |
| Long-term Borrowings                                                                      | 4        | 2,630,401                  | 202,349                    |
| Other Long-term Liabilities                                                               | 5        | 4,676                      | 4,676                      |
| Long-term Provisions                                                                      | 6        | 1,917                      | 3,296                      |
|                                                                                           |          | <b>2,636,994</b>           | <b>210,321</b>             |
| <b>Current Liabilities</b>                                                                |          |                            |                            |
| Short-term Borrowings                                                                     | 7        | 2,053,000                  | 3,455,000                  |
| Trade Payables                                                                            | 8        |                            |                            |
| Total outstanding dues of micro enterprises<br>and small enterprises and                  |          | -                          | -                          |
| Total outstanding dues of creditors other than<br>micro enterprises and small enterprises |          | 25,467                     | 3,052                      |
| Other Current Liabilities                                                                 | 9        | 413,427                    | 280,098                    |
| Short-term Provisions                                                                     | 10       | 7,919                      | 6,253                      |
|                                                                                           |          | <b>2,499,813</b>           | <b>3,744,403</b>           |
| <b>Total</b>                                                                              |          | <b>6,056,771</b>           | <b>5,023,639</b>           |
| <b>Assets</b>                                                                             |          |                            |                            |
| <b>Non-current Assets</b>                                                                 |          |                            |                            |
| Fixed Assets                                                                              |          |                            |                            |
| Tangible Assets                                                                           | 11       | 18,033                     | 18,851                     |
| Non-Current Investments                                                                   | 12       | 4,053,212                  | 2,868,938                  |
| Long-term Loans and Advances                                                              | 13       | 4,856                      | 4,935                      |
| Other Non-Current Assets                                                                  | 14       | 7,020                      | 4,526                      |
|                                                                                           |          | <b>4,083,121</b>           | <b>2,897,250</b>           |
| <b>Current Assets</b>                                                                     |          |                            |                            |
| Trade Receivables                                                                         | 15       | 6,800                      | 16,731                     |
| Cash and Bank Balances                                                                    | 16       | 55,228                     | 20,666                     |
| Short-term Loans and Advances                                                             | 17       | 1,509,968                  | 2,049,049                  |
| Other Current Assets                                                                      | 18       | 401,654                    | 39,943                     |
|                                                                                           |          | <b>1,973,650</b>           | <b>2,126,389</b>           |
| <b>Total</b>                                                                              |          | <b>6,056,771</b>           | <b>5,023,639</b>           |

The notes are an integral part of these financial statements.

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

**For Lovelock & Lewes**  
Firm Registration No. 301056E  
Chartered Accountants

**(Pradip Law)**  
Partner  
Membership No. 51790

Place : Kolkata  
Date : 30th May 2017

A. Khaitan  
(Vice Chairman)

R. S. Jhawar  
(Director)

Tuladri Mallick  
(Manager & CFO)

H. U. Sanghavi  
(Company Secretary)



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars                                                            | Note No. | 2016-17<br>₹ '000 | 2015-16<br>₹ '000 |
|------------------------------------------------------------------------|----------|-------------------|-------------------|
| Revenue from Operations                                                | 19       | 518,738           | 346,741           |
| Other Income                                                           | 20       | 150,562           | 15,052            |
| <b>Total Revenue</b>                                                   |          | <b>669,300</b>    | <b>361,793</b>    |
| <b>Expenses:</b>                                                       |          |                   |                   |
| Employee Benefits Expense                                              | 21       | 5,103             | 4,828             |
| Finance Costs                                                          | 22       | 703,135           | 440,341           |
| Depreciation Expense                                                   | 23       | 906               | 1,132             |
| Other Expenses                                                         | 24       | 109,107           | 88,984            |
| <b>Total Expenses</b>                                                  |          | <b>818,251</b>    | <b>535,285</b>    |
| <b>Profit/(Loss) before Exceptional Items and Tax</b>                  |          | <b>(148,951)</b>  | <b>(173,492)</b>  |
| Exceptional Item                                                       |          | -                 | -                 |
| <b>Profit/(Loss) before Tax</b>                                        |          | <b>(148,951)</b>  | <b>(173,492)</b>  |
| Tax Expense                                                            |          |                   |                   |
| - Current tax                                                          |          | -                 | -                 |
| - Earlier Period                                                       |          | -                 | 4,291             |
| - Provision written back for earlier years (net)                       |          | -                 | (19,260)          |
| <b>Profit/(Loss) for the year</b>                                      |          | <b>(148,951)</b>  | <b>(158,523)</b>  |
| <b>Earnings/(Loss) per Equity Share (Nominal value per share ₹ 10)</b> | 32       |                   |                   |
| Basic                                                                  |          | (13.59)           | (14.47)           |
| Diluted                                                                |          | (13.59)           | (14.47)           |

The notes are an integral part of these financial statements.

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

**For Lovelock & Lewes**  
Firm Registration No. 301056E  
Chartered Accountants

A. Khaitan  
(Vice Chairman)

R. S. Jhawar  
(Director)

**(Pradip Law)**  
Partner  
Membership No. 51790

Tuladri Mallick  
(Manager & CFO)

Place : Kolkata  
Date : 30th May 2017

H. U. Sanghavi  
(Company Secretary)



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars                                                                        | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                      |                            |                            |
| <b>Net profit/(loss) before tax and exceptional items</b>                          | <b>(148,951)</b>           | <b>(173,492)</b>           |
| Adjustment for :                                                                   |                            |                            |
| Depreciation                                                                       | 906                        | 1,132                      |
| (Profit)/Loss on sale of Long- Term Investments                                    | -                          | 13,160                     |
| Provision for Doubtful Trade Receivables                                           | 1,566                      | -                          |
| Provision for Diminution in Carrying amount of Long- Term Investments              | 25,714                     | 14,850                     |
| Provision for Diminution in Carrying amount of Long- Term Investments written back | -                          | (10,780)                   |
| Contingent Provision against Standard Assets                                       | 1,229                      | 3,282                      |
| Provision for Sub Standard Assets                                                  | 50                         | 561                        |
| Provision for Sub Standard Assets written back                                     | (561)                      | -                          |
| Debts/advances written off                                                         | -                          | 3,631                      |
| Assets written off                                                                 | -                          | 445                        |
| Liabilities written back                                                           | -                          | (191)                      |
| Interest Received on Refund of Income Tax                                          | -                          | (3,820)                    |
| Provision for employment benefits                                                  | 95                         | 701                        |
| Provision for employment benefits written back                                     | (376)                      | -                          |
| <b>Operating loss before working capital changes</b>                               | <b>(120,328)</b>           | <b>(150,521)</b>           |
| Adjustment for :                                                                   |                            |                            |
| Trade and other receivables                                                        | 230,713                    | (1,298,037)                |
| Sundry Creditors and other liabilities                                             | (39,532)                   | 111,562                    |
| Retirement benefits paid                                                           | (661)                      | (722)                      |
| <b>Cash generated/(used) from operations</b>                                       | <b>70,192</b>              | <b>(1,337,718)</b>         |
| Interest received on refund of income tax                                          | -                          | 3,820                      |
| Direct tax paid                                                                    | (46,882)                   | (19,927)                   |
| <b>Net cash used in Operating Activities</b>                                       | <b>23,310</b>              | <b>(1,353,825)</b>         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                      |                            |                            |
| Proceeds from Unclaimed Reedemed Preference Share Account                          | -                          | 162                        |
| Purchase of tangible assets                                                        | (88)                       | (4)                        |
| Sale of non current investments                                                    | -                          | 4,833                      |
| Purchase of non current investments                                                | (1,209,988)                | (486,269)                  |
| <b>Net cash used in Investing Activities</b>                                       | <b>(1,210,076)</b>         | <b>(481,278)</b>           |



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

| Particulars                                          | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------|----------------------------|----------------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>        |                            |                            |
| Proceeds from long term borrowings                   | 2,750,000                  | -                          |
| Repayment of long term borrowings                    | (126,672)                  | (112,282)                  |
| Proceeds from short term borrowings                  | 11,503,000                 | 3,455,000                  |
| Repayment of short term borrowings                   | (12,905,000)               | (1,519,500)                |
| <b>Net cash from Financing Activities</b>            | <b>1,221,328</b>           | <b>1,823,218</b>           |
| Net increase/(decrease) in cash and cash equivalents | 34,562                     | (11,885)                   |
| Cash and cash equivalents(Opening Balance) [Note 16] | 20,666                     | 32,551                     |
| Cash and cash equivalents(Closing Balance) [Note 16] | 55,228                     | 20,666                     |

- (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 notified under Section 211 (3C) of the Companies Act 1956 [Companies (Accounting Standards) Rules 2006, as amended].

The notes are an integral part of these financial statements.

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

**For Lovelock & Lewes**  
Firm Registration No. 301056E  
*Chartered Accountants*

A. Khaitan  
(Vice Chairman)

R. S. Jhawar  
(Director)

**(Pradip Law)**  
*Partner*  
Membership No. 51790

Tuladri Mallick  
(Manager & CFO)

Place : Kolkata  
Date : 30th May 2017

H. U. Sanghavi  
(Company Secretary)



## NOTES TO THE 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. Pursuant to section 133 of the Companies Act, 2013 (the "Act") read with Rule 7 (I) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act 1956 [Companies (Accounting Standards) Rules, 2006, as amended], the other relevant provisions of 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 III to the Act. 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 net of 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 Statement of Profit and Loss.

##### c) Depreciation

Depreciation on tangible assets (other than Land- Freehold ) is provided on pro-rata basis on reducing balance method over the estimated useful lives of the assets as specified in Schedule II to the Act.

##### d) Investments

Investments which are of long term nature are stated at cost less 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 recognised 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 the Statement of Profit and Loss.

##### f) Employee Benefits

Short term employee benefits :

These are recognised at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.



## NOTES TO THE FINANCIAL STATEMENTS

### Post Employment Benefit Plans :

Contributions under Defined Contribution Plans are recognised on accrual basis as expenses for the year.

In case of Defined Benefit Plans, the cost of providing the benefit is determined on the basis of actuarial valuation using the Projected Unit Credit Method at each Balance Sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. 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 foreign currency monetary items are restated at the year-end at the closing rate. Exchange differences arising on settlement/reinstatement are recognised in the Statement of Profit and Loss.

### h) Borrowing Cost

Borrowing costs relating to acquisition/construction of qualifying assets, if any, are added to the cost of such assets until such time as the assets are substantially ready for their intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

### i) Lease

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

### 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 recognised, 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 realised.

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 recognised 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.



## NOTES TO THE FINANCIAL STATEMENTS

### **l) Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles followed in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

### **m) Cash & Cash Equivalents:**

In the cash flow statement, cash and cash equivalents includes cash in hand, Demand Deposits with banks, other short-term highly liquid investments with original maturities of 3 months or less.

### **n) Earnings Per Share:**

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 2

#### SHARE CAPITAL

##### Authorised:

23,750,000 (31st March, 2016 : 23,750,000) Equity Shares of ₹ 10/- each

125,000 ( 31st March, 2016: 125,000 ) Preference Shares of ₹ 100/- each

##### Issued, Subscribed and Fully Paid-up:

10,956,360 (31st March, 2016 : 10,956,360) Equity Shares of ₹ 10/- each

##### Total

|  | 31st March, 2017 | 31st March, 2016 |
|--|------------------|------------------|
|  | ₹ '000           | ₹ '000           |
|  | 237,500          | 237,500          |
|  | 12,500           | 12,500           |
|  | <u>250,000</u>   | <u>250,000</u>   |
|  |                  |                  |
|  | 109,564          | 109,564          |
|  | <u>109,564</u>   | <u>109,564</u>   |

#### (a) Term/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 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, 2017 |           | 31st March, 2016 |           |
|----------------------------------|------------------|-----------|------------------|-----------|
|                                  | No.              | % holding | No.              | % holding |
| Bishnauth Investments Limited    | 5,036,629        | 45.97     | 5,036,629        | 45.97     |
| United Machine Co. Limited       | 907,210          | 8.28      | 907,210          | 8.28      |
| Ichamati Investments Private Ltd | 835,364          | 7.62      | 835,364          | 7.62      |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 3

#### RESERVES AND SURPLUS

|                                                    | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|----------------------------------------------------|----------------------------|----------------------------|
| <b>Capital Reserve</b>                             | <b>6,518</b>               | <b>6,518</b>               |
| <b>General Reserve [Refer (a) below]</b>           | <b>1,175,150</b>           | <b>1,175,150</b>           |
| <b>Statutory Reserve [Refer (b) below]</b>         |                            |                            |
| Balance as at the end of the year                  | <b>257,388</b>             | <b>257,388</b>             |
| <b>Surplus in the Statement of Profit and Loss</b> |                            |                            |
| Debit Balance at the beginning of the year         | (479,705)                  | (321,182)                  |
| Profit/(Loss) for the year                         | (148,951)                  | (158,523)                  |
| Debit Balance at the end of the year               | <b>(628,656)</b>           | <b>(479,705)</b>           |
| <b>Total</b>                                       | <b>810,400</b>             | <b>959,351</b>             |

(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

|                             | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-----------------------------|----------------------------|----------------------------|
| <b>Secured:</b>             |                            |                            |
| <b>Term Loans</b>           |                            |                            |
| From Financial Institutions | 2,630,401                  | 202,349                    |
| <b>Total</b>                | <b>2,630,401</b>           | <b>202,349</b>             |



## NOTES TO THE FINANCIAL STATEMENTS

### Nature of security and terms of repayment for secured borrowings:

| Nature of Security                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Terms of repayment                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>HDFC Limited:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>HDFC Limited:</b>                                                                                                                                                                                                                                                                                                                                                                                                           |
| Mortgage of property at Four Mangoe Lane, Kolkata, admeasuring 99,735 sft. (entire ground to 6th Floor and 10th Floor). Pledge of 3200000 shares of Eveready Industries India Limited and 135000 shares of McLeod Russel India Limited.                                                                                                                                                                                                                                                                                                                                                                                       | ₹ 1,000,000 thousand - To be repaid in 54 Equated Monthly Instalments (EMIS) of ₹ 24,007 thousand each commencing from the 7th month from the date of disbursement along with interest payable @11.90%. ₹ 50 Crores (Balance outstanding as on 31.03.2017 ₹ 20.23 crores) - Repayable in 48 equated monthly instalments beginning from September, 2014 amounting to ₹ 13,253 thousand along with interest payable @12.10% p.a. |
| <b>IL &amp; FS:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>IL &amp; FS:</b>                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Pledge of Listed Shares:</b> Pledge of 1805570 Shares of McLeod Russel India Limited and 2500000 shares of Eveready Industries India Limited at a cover of 0.5x of the facility amount, with topup in case of shortfall in margin.                                                                                                                                                                                                                                                                                                                                                                                         | Repayable in 16 equal quarterly instalments after a moratorium of 24 months from the date of first disbursement of the facility and interest payable on the amount outstanding @ 13.50% p.a.                                                                                                                                                                                                                                   |
| <b>Mortgage of Land and Pledge of Shares of Land Owning Companies:</b> Mortgage of Land parcel at Neemrana, Rajasthan, admeasuring approx. 156 acres. Pledge of 100% of fully paid-up, un-encumbered freely transferable, dematerialised shareholding of Vedica Sanjeevani Projects Pvt Limited and Christopher Estates Private Limited who collectively owns 84 % of the above mentioned land at Neemrana, Rajasthan. All shareholders of the Land Owning Companies shall also undertake not to issue any additional shares or raise any additional financing of any nature whatsoever, without prior consent of the lender. |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Mortgage of Land:</b> Mortgage of Land parcel at Neemrana, Rajasthan, admeasuring approx. 156 acres.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Mortgage of other Immovable Properties:</b><br>a) Residential property in Dover Park, Kolkata admeasuring 1 Bigha, 3 Cottahs valued at ₹ 540,000 thousand.<br>b) Residential property in Rowland Row, Kolkata admeasuring 3100 sqft valued at ₹ 80,000 thousand.<br>c) Bungalow at Sedgemoor in Ootacamund admeasuring 103.25 cents land valued at ₹ 180,000 thousand.                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                |

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



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 5

#### OTHER LONG-TERM LIABILITIES

|                                                      | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------|----------------------------|----------------------------|
| Security deposits taken against rental of properties | 4,676                      | 4,676                      |
| <b>Total</b>                                         | <b>4,676</b>               | <b>4,676</b>               |

### NOTE 6

#### LONG-TERM PROVISIONS

|                                                      | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------|----------------------------|----------------------------|
| Provision for Employee Benefits (Also refer Note 29) | 1,917                      | 3,296                      |
| <b>Total</b>                                         | <b>1,917</b>               | <b>3,296</b>               |

### NOTE 7

#### SHORT-TERM BORROWINGS

|                                         | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-----------------------------------------|----------------------------|----------------------------|
| <b>Secured:</b>                         |                            |                            |
| Term loan from Financial Institutions # | 500,000                    | 1,600,000                  |
| <b>Unsecured:</b>                       |                            |                            |
| Inter Corporate loans                   | 1,553,000                  | 1,855,000                  |
| <b>Total</b>                            | <b>2,053,000</b>           | <b>3,455,000</b>           |

# Secured by mortgage of immovable property at Four Mangoe Lane, Kolkata admeasuring 99,735 sqft (entire ground to 6th floor and 10th floor) and pledge of 3200000 shares of Eveready Industries India Limited (31st March, 2016: 5700000 shares) and 135000 shares of McLeod Russel India Limited (31st March, 2016: 1940570 shares).



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 8

#### TRADE PAYABLES

|                                                                                            | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|--------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| Trade payables                                                                             |                            |                            |
| (A) total outstanding dues of micro enterprises and small enterprises ( Refer Note 34) and | -                          | -                          |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises |                            |                            |
| (i) Acceptances                                                                            | -                          | -                          |
| (ii) Others                                                                                | 25,467                     | 3,052                      |
| <b>Total</b>                                                                               | <b>25,467</b>              | <b>3,052</b>               |

### NOTE 9

#### OTHER CURRENT LIABILITIES

|                                                            | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------------|----------------------------|----------------------------|
| Current maturities of Long-term borrowings ( Refer Note 4) | 321,921                    | 126,645                    |
| Interest accrued but not due                               | 45,003                     | 126,240                    |
| Advance from tenants                                       | 1                          | 1                          |
| Advance against sale of property                           | 150                        | 150                        |
| Statutory dues                                             | 27,740                     | 20,608                     |
| Security Deposits                                          | 4,888                      | 4,888                      |
| Other payables                                             | 13,724                     | 1,566                      |
| <b>Total</b>                                               | <b>413,427</b>             | <b>280,098</b>             |

### NOTE 10

#### SHORT-TERM PROVISIONS

|                                                               | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|---------------------------------------------------------------|----------------------------|----------------------------|
| Provision for Employee Benefits ( Also refer Note 29)         | 1,415                      | 978                        |
| <b>Total</b>                                                  | <b>1,415</b>               | <b>978</b>                 |
| <b>Other Provisions</b>                                       |                            |                            |
| Contingent Provision against Standard Assets ( Refer Note 36) | 6,504                      | 5,275                      |
| <b>Total</b>                                                  | <b>7,919</b>               | <b>6,253</b>               |



## NOTE 11

## FIXED ASSETS

(₹ in '000)

| PARTICULARS                             | GROSS BLOCK AT COST    |                           |                           | DEPRECIATION           |              |                           | NET BLOCK              |                        |
|-----------------------------------------|------------------------|---------------------------|---------------------------|------------------------|--------------|---------------------------|------------------------|------------------------|
|                                         | As at 31st March, 2016 | Additions during the year | Disposals during the year | As at 31st March, 2017 | For the year | Disposals during the year | As at 31st March, 2017 | As at 31st March, 2017 |
| <b>Tangible Assets Own Assets:</b>      |                        |                           |                           |                        |              |                           |                        |                        |
| Land - Freehold                         | 8,737                  | -                         | -                         | 8,737                  | -            | -                         | -                      | 8,737                  |
| Buildings [Refer (a) below]             | 28,994                 | -                         | -                         | 28,994                 | 221          | -                         | 21,207                 | 7,787                  |
| Plant & Machinery                       | 575                    | -                         | -                         | 575                    | 5            | -                         | 560                    | 15                     |
| Motor Vehicles                          | 49                     | -                         | -                         | 49                     | 2            | -                         | 39                     | 10                     |
| Furniture & Fittings                    | 1,879                  | 21                        | -                         | 1,900                  | 2            | -                         | 1,761                  | 139                    |
| Office Equipment                        | 1,009                  | 67                        | -                         | 1,076                  | 48           | -                         | 985                    | 91                     |
| Electric Installation                   | 8,472                  | -                         | -                         | 8,472                  | 463          | -                         | 7,427                  | 1,045                  |
| Water Supply                            | 638                    | -                         | -                         | 638                    | 31           | -                         | 501                    | 137                    |
| <b>Assets given on Operating Lease:</b> |                        |                           |                           |                        |              |                           |                        |                        |
| Buildings                               | 5,129                  | -                         | -                         | 5,129                  | 134          | -                         | 5,057                  | 72                     |
| <b>Total</b>                            | <b>55,482</b>          | <b>88</b>                 | <b>-</b>                  | <b>55,570</b>          | <b>906</b>   | <b>-</b>                  | <b>37,537</b>          | <b>18,033</b>          |

a) Buildings include one property (Gross Block and Net Block amounting to ₹ 912 Thousand and ₹ 247 Thousand respectively) as at March 31, 2017 (March 31, 2016: ₹ 912 Thousand and ₹ 259 Thousand respectively) located at Mumbai, the title deeds of which is not readily traceable. Necessary steps are being taken to obtain certified copy of the title deed from the appropriate authorities in respect of the said property. However, the property is in the possession of the Company.



## NOTE 11

## FIXED ASSETS (Contd.)

(₹ in '000)

| PARTICULARS                                 | GROSS BLOCK AT COST          |                                 |                                 | DEPRECIATION                 |                              |                 |                                 | NET BLOCK                    |
|---------------------------------------------|------------------------------|---------------------------------|---------------------------------|------------------------------|------------------------------|-----------------|---------------------------------|------------------------------|
|                                             | As at<br>31st March,<br>2015 | Additions<br>during the<br>year | Disposals<br>during the<br>year | As at<br>31st March,<br>2016 | As at<br>31st March,<br>2015 | For the<br>year | Disposals<br>during the<br>year | As at<br>31st March,<br>2016 |
| <b>Tangible Assets<br/>Own Assets:</b>      |                              |                                 |                                 |                              |                              |                 |                                 |                              |
| Land - Freehold                             | 9,182                        | -                               | 445                             | 8,737                        | -                            | -               | -                               | 8,737                        |
| Buildings                                   | 28,994                       | -                               | -                               | 28,994                       | 20,614                       | 372             | -                               | 20,986                       |
| Plant & Machinery                           | 575                          | -                               | -                               | 575                          | 549                          | 6               | -                               | 555                          |
| Motor Vehicles                              | 49                           | -                               | -                               | 49                           | 34                           | 3               | -                               | 37                           |
| Furniture & Fittings                        | 1,879                        | -                               | -                               | 1,879                        | 1,756                        | 3               | -                               | 1,759                        |
| Office Equipment                            | 1,005                        | 4                               | -                               | 1,009                        | 896                          | 41              | -                               | 937                          |
| Electric Installation                       | 8,472                        | -                               | -                               | 8,472                        | 6,294                        | 670             | -                               | 6,964                        |
| Water Supply                                | 638                          | -                               | -                               | 638                          | 433                          | 37              | -                               | 470                          |
| <b>Assets given on<br/>Operating Lease:</b> |                              |                                 |                                 |                              |                              |                 |                                 |                              |
| Buildings                                   | 5,129                        | -                               | -                               | 5,129                        | 4,923                        | -               | -                               | 4,923                        |
| <b>Total</b>                                | <b>55,923</b>                | <b>4</b>                        | <b>445</b>                      | <b>55,482</b>                | <b>35,499</b>                | <b>1,132</b>    | <b>-</b>                        | <b>36,631</b>                |
|                                             |                              |                                 |                                 |                              |                              |                 |                                 | <b>18,851</b>                |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12

#### NON-CURRENT INVESTMENTS

| Particulars                                                                                                                                                                    | 31st March, 2017 |           | 31st March, 2016 |         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|------------------|---------|
|                                                                                                                                                                                | Nos.             | ₹ '000    | Nos.             | ₹ '000  |
| <b>Long-term</b>                                                                                                                                                               |                  |           |                  |         |
| <b>(All shares unless otherwise stated are ₹ 10 each fully paid-up)</b>                                                                                                        |                  |           |                  |         |
| <b>Trade Investments (valued at cost unless otherwise stated)</b>                                                                                                              |                  |           |                  |         |
| <b>(a) Quoted Equity Instruments</b>                                                                                                                                           |                  |           |                  |         |
| <b>Investments in Associates:</b>                                                                                                                                              |                  |           |                  |         |
| Kilburn Engineering Limited                                                                                                                                                    | 4319043          | 106,956   | 4319043          | 106,956 |
| Eveready Industries India Limited (₹ 5 each fully paid-up)[Refer (a) below ]                                                                                                   | 17007841         | 961,926   | 17007841         | 961,926 |
| McNally Bharat Engineering Company Limited<br>[Net of provision for diminution in carrying amount - ₹ 174838 thousand (31st March, 2016 : ₹ 174838 thousand) [Refer (b) below] | 12467437         | 1,246,744 | 9467437          | 946,744 |
| <b>Others:</b>                                                                                                                                                                 |                  |           |                  |         |
| McNally Sayaji Engineering Limited                                                                                                                                             | 36013            | 2,488     | -                | -       |
| The Standard Batteries Limited (₹ 1 each fully paid up) [Net of provision for diminution in carrying amount - ₹ 16005 thousand (31st March, 2016 : ₹ 16,005 thousand)]         | 288625           | -         | 288625           | -       |
| McLeod Russel India Limited (₹ 5 each fully paid-up) [Refer (a) below]                                                                                                         | 11660946         | 674,472   | 11660946         | 674,472 |
| Williamson Financial Services Limited<br>[Net of provision for diminution in carrying amount - ₹ 2311 thousand (31st March, 2016 : ₹ 2311 thousand)]                           | 576250           | 16,798    | 576250           | 16,798  |
| <b>(b) Unquoted Equity Instruments</b>                                                                                                                                         |                  |           |                  |         |
| <b>Investment in Associate:</b>                                                                                                                                                |                  |           |                  |         |
| Majerhat Estates & Developers Limited<br>[Net of provision for diminution in carrying amount - ₹ 4740 thousand (31st March, 2016 : ₹ 4740 thousand)]                           | 1470000          | 9,962     | 1470000          | 9,962   |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12

#### NON-CURRENT INVESTMENTS (Contd.)

|                                                                                                                                                                              | 31st March, 2017 |                  | 31st March, 2016 |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                                                                                                                                              | Nos.             | ₹ '000           | Nos.             | ₹ '000           |
| <b>Investment in Compulsorily Convertible Preference Shares</b>                                                                                                              |                  |                  |                  |                  |
| Mcally Bharat Engineering Company Limited<br>[₹ 10 each issued at a premium of ₹ 56]<br>[Refer (b) & (c) below]                                                              | 15151515         | 1,000,000        | -                | -                |
| <b>Investment in Joint Venture</b>                                                                                                                                           |                  |                  |                  |                  |
| D1 Williamson Magor Bio Fuel Limited [Net of provision for diminution in carrying amount - ₹ 59646 thousand (31st March, 2016 : ₹ 56932 thousand)]                           | 3333273          | 353              | 3333273          | 3,067            |
| <b>Others:</b>                                                                                                                                                               |                  |                  |                  |                  |
| Dewrance Macneill & Company Limited<br>(In Liquidation)                                                                                                                      | 1200000          | -                | 1200000          | -                |
| Kilburn Electricals Limited [Net of provision for diminution in carrying amount - ₹ 140 thousand (31st March, 2016 : ₹ 140 thousand)]                                        | 14000            | -                | 14000            | -                |
|                                                                                                                                                                              |                  | <b>4,019,699</b> |                  | <b>2,719,925</b> |
| <b>Other than Trade Investments (valued at cost unless stated otherwise)</b>                                                                                                 |                  |                  |                  |                  |
| <b>(a) Unquoted</b>                                                                                                                                                          |                  |                  |                  |                  |
| <b>Equity instruments</b>                                                                                                                                                    |                  |                  |                  |                  |
| Babcock Borsig Limited<br>[Net of provision for diminution in carrying amount - ₹ 13607 thousand (31st March, 2016 : ₹ 13607)]                                               | 3299593          | 25,733           | 1299593          | 5,733            |
| Woodside Parks Limited [Net of provision for diminution in carrying amount - ₹ 23,000 thousand (31st March 2016 : ₹ Nil)]                                                    | 3078000          | 7,780            | 3078000          | 30,780           |
| Arvindnagar Goodwill & Co-operative Housing Society Ltd (₹ 50 each fully paid-up)<br>[Net of provision for diminution in carrying amount - ₹ 250 (31st March, 2016 : ₹ 250)] | 5                | -                | 5                | -                |
| Seema Apartments Co-operative Housing Society Ltd. [Net of provision for diminution in carrying amount - ₹ 4 thousand (31st March, 2016 : ₹ 4 thousand)]                     | 80               | -                | 80               | -                |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12

#### NON-CURRENT INVESTMENTS (Contd.)

|                                                                                                                                                                                                                                              | 31st March, 2017 |        | 31st March, 2016 |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------|------------------|--------|
|                                                                                                                                                                                                                                              | Nos.             | ₹ '000 | Nos.             | ₹ '000 |
| Kornafulin Association Limited                                                                                                                                                                                                               | 327              | -      | 327              | -      |
| Rivers Steam Navigation Company Limited<br>[Net of provision for diminution in carrying amount -<br>₹ 1 (31st March, 2016 : ₹ 1)]                                                                                                            | 135810           | -      | 135810           | -      |
| Delhi Golf & Country Club Pvt. Limited (₹ 100 each<br>fully paid-up) [Net of provision for diminution in<br>carrying amount - ₹ 4500 thousand (31st March, 2016 :<br>₹ 4500 thousand)]                                                       | 45000            | -      | 45000            | -      |
| Cosepa Fiscal Industries Limited [Net of provision<br>for diminution in carrying amount - ₹ 3500 thousand<br>(31st March, 2016 : ₹ 3500 thousand)]                                                                                           | 350000           | -      | 350000           | -      |
| Gouripore Electric Supply Co. Limited [(₹ 100 each<br>fully paid up) (In Voluntary Liquidation)]                                                                                                                                             | 3000             | -      | 3000             | -      |
| Suryachakra Sea Foods Limited [Net of provision for<br>diminution in carrying amount - ₹ 900 thousand<br>(31st March, 2016 : ₹ 900 thousand)]                                                                                                | 50000            | -      | 50000            | -      |
| <b>Investment in Preference Shares</b>                                                                                                                                                                                                       |                  |        |                  |        |
| India General Navigation & Railway Company<br>Limited - 6 % Cumulative Preference Shares<br>(in voluntary liquidation) (₹ 2 each fully paid-up)<br>[Net of provision for diminution in carrying<br>amount - ₹ 424 (31st March, 2016: ₹ 424)] | 228              | -      | 228              | -      |
| Metal Box India Limited - 6% Redeemable<br>Cumulative Preference Shares of ₹ 100 each<br>[Net of provision for diminution in carrying<br>amount - ₹ 66 thousand (31st March, 2016 :<br>₹ 66 thousand)]                                       | 2000             | -      | 2000             | -      |
| <b>Investment in Debentures</b>                                                                                                                                                                                                              |                  |        |                  |        |
| Bengal Chambers of Commerce and Industry - 6 1/2 %<br>Non-redeemable debentures of ₹ 1000 each fully paid-up<br>[Net of provision for diminution in carrying amount -<br>₹ 24 thousand (31st March, 2016 : ₹ 24 thousand)]                   | 24               | -      | 24               | -      |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 12

#### NON-CURRENT INVESTMENTS (Contd.)

|                                                                                              | 31st March, 2017 |                  | 31st March, 2016 |                  |
|----------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                                                              | Nos.             | ₹ '000           | Nos.             | ₹ '000           |
| <b>Investment in Equity Warrants</b>                                                         |                  |                  |                  |                  |
| McNally Bharat Engineering Company Limited<br>[Equity warrants of ₹ 100 each partly paid-up] | -                | -                | 2500000          | 62,500           |
| <b>Investment in Equity Shares</b>                                                           |                  |                  |                  |                  |
| McNally Bharat Engineering Company Limited<br>[Under Listing Process]                        | -                | -                | 500000           | 50,000           |
|                                                                                              |                  | <b>33,513</b>    |                  | <b>149,013</b>   |
| <b>Total Investments</b>                                                                     |                  | <b>4,053,212</b> |                  | <b>2,868,938</b> |
| <b>Aggregate amount of quoted investments</b>                                                |                  | <b>3,202,537</b> |                  | <b>2,900,050</b> |
| <b>Market Value of quoted investments</b>                                                    |                  | <b>7,325,633</b> |                  | <b>7,149,649</b> |
| <b>Aggregate amount of unquoted investments</b>                                              |                  | <b>1,153,956</b> |                  | <b>246,455</b>   |
| <b>Aggregate provision for diminution in carrying amounts of investments</b>                 |                  | <b>303,281</b>   |                  | <b>277,567</b>   |

(a) 5700000 shares (31st March 2016 : 5700000 shares) of Eveready Industries India Limited and 1940570 shares (31st March 2016 : 1940570 shares) shares of Mcleod Russel India Limited have been pledged with banks and financial institutions against financial assistance taken by the Company and others.

(b) McNally Bharat Engineering Company Limited has become an Associate during the year.

(c) Each Compulsorily Convertible Preference Shares to be converted into one equity share of ₹ 10 each at a premium of ₹ 56 per equity share at any time within 18 months form date of allotment.

### NOTE 13

#### LONG-TERM LOANS AND ADVANCES

|                                       | 31st March, 2017 |              | 31st March, 2016 |              |
|---------------------------------------|------------------|--------------|------------------|--------------|
|                                       | ₹ '000           |              | ₹ '000           |              |
| <b>Unsecured</b>                      |                  |              |                  |              |
| Security Deposits                     |                  |              |                  |              |
| - Considered good                     |                  | 4,856        |                  | 4,935        |
| - Considered doubtful                 |                  | -            |                  | 14           |
|                                       |                  | <b>4,949</b> |                  |              |
| Less: Provision for Doubtful Deposits |                  | -            |                  | 14           |
|                                       |                  | <b>4,935</b> |                  |              |
| <b>Total</b>                          |                  | <b>4,856</b> |                  | <b>4,935</b> |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 14

#### OTHER NON-CURRENT ASSETS

|                                                  | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|--------------------------------------------------|----------------------------|----------------------------|
| Lease Equalisation Account - Non-Current Portion | 7,020                      | 4,526                      |
|                                                  | <u>7,020</u>               | <u>4,526</u>               |

### NOTE 15

#### TRADE RECEIVABLES

|                                                                                      | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|--------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>Unsecured</b>                                                                     |                            |                            |
| Outstanding for a period exceeding six months from the date they are due for payment |                            |                            |
| - Considered sub-standard                                                            | 502                        | 5,609                      |
| - Considered doubtful                                                                | 32,712                     | 31,146                     |
| Less: Provision for Sub-standard Debts                                               | 50                         | 561                        |
| Less: Provision for Doubtful Debts                                                   | 32,712                     | 31,146                     |
|                                                                                      | <u>452</u>                 | <u>5,048.00</u>            |
| <b>Other Debts</b>                                                                   |                            |                            |
| - Considered good                                                                    | 6,348                      | 11,683                     |
|                                                                                      | <u>6,800</u>               | <u>16,731</u>              |
| <b>Total</b>                                                                         |                            |                            |

### NOTE 16

#### CASH AND BANK BALANCES

|                                     | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-------------------------------------|----------------------------|----------------------------|
| <b>Cash and cash equivalents</b>    |                            |                            |
| Cash in hand                        | 139                        | 321                        |
| Current Account balances with banks | 55,089                     | 20,345                     |
|                                     | <u>55,228</u>              | <u>20,666</u>              |
| <b>Total</b>                        |                            |                            |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 17

#### SHORT-TERM LOANS AND ADVANCES

##### Unsecured (Considered good unless otherwise stated)

Loans and advances to Associates

- Considered good

- Considered doubtful

Less: Provision for doubtful loans and advances

31st March, 2017

₹ '000

450

85

85

450

31st March, 2016

₹ '000

455

85

85

455

Deposits with Government Authorities

- Considered good

- Considered doubtful

Less: Provision for doubtful loans and advances

2,012

1,890

1,890

2,012

1,547

1,890

1,890

1,547

##### Inter Corporate Loans

###### To Associates :

- Considered good

- Considered doubtful

Less: Provision for doubtful loans and advances

590,000

57,365

57,365

590,000

400,000

57,365

57,365

400,000

###### To Others:

- Considered good

843,100

1,433,100

1,562,500

1,962,500

Prepaid Expenses

703

855

Advance Income Tax [Advance Tax ₹ 1,89,124 Thousand (31st March 2016 : ₹ 1,42,242 thousand) netted off against Provision for Income Tax to the extent of ₹ 1,17,118 thousand (31st March 2016 : ₹ 1,17,118 thousand)]

72,006

25,124

Advances to employees

429

350

Advances to other parties

- Considered good

- Considered doubtful

Less : Allowance for doubtful advances

1,268

36,492

36,492

1,268

58,218

36,492

36,492

58,218

##### Total

1,509,968

2,049,049



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 18

#### OTHER CURRENT ASSETS

|                                                            | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------------|----------------------------|----------------------------|
| <b>Unsecured (Considered good unless otherwise stated)</b> |                            |                            |
| Interest receivable on deposits from Associates            |                            |                            |
| - Considered Good                                          | 216,158                    | -                          |
| - Considered Doubtful                                      | 32,927                     | 40,999                     |
| Less: Provision for doubtful receivables                   | 32,927                     | 40,999                     |
|                                                            | <u>216,158</u>             | <u>-</u>                   |
| Interest receivable on deposits from others                |                            |                            |
| - Considered good                                          | 128,077                    | 39,943                     |
| - Considered doubtful                                      | 42,927                     | 34,855                     |
| Less : Provision for doubtful receivables                  | 42,927                     | 34,855                     |
|                                                            | <u>128,077</u>             | <u>39,943</u>              |
| Lease Equalisation Account- Current Portion                | 112                        | -                          |
| <b>Other Receivables:</b>                                  |                            |                            |
| - Receivable from Associates                               | 14,782                     | -                          |
| - Receivable from Others                                   | 42,525                     | -                          |
| <b>Total</b>                                               | <u><u>401,654</u></u>      | <u><u>39,943</u></u>       |

### NOTE 19

#### REVENUE FROM OPERATIONS

|                                    | 2016-17<br>₹ '000     | 2015-16<br>₹ '000     |
|------------------------------------|-----------------------|-----------------------|
| Dividends on Long-term Investments | 48,968                | 51,991                |
| Interest Income                    | 408,323               | 235,003               |
| <b>Other Operating Revenue</b>     |                       |                       |
| Maintenance Services               | 16,340                | 16,150                |
| Rental of Properties               | 23,707                | 24,197                |
| Other Consultancy Services         | 21,400                | 19,400                |
| <b>Total</b>                       | <u><u>518,738</u></u> | <u><u>346,741</u></u> |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 20

#### OTHER INCOME

|                                                                             | 2016-17<br>₹ '000 | 2015-16<br>₹ '000 |
|-----------------------------------------------------------------------------|-------------------|-------------------|
| Interest on Security Deposits, etc.                                         | 278               | 261               |
| Interest on Income Tax Refund                                               | -                 | 3,820             |
| Penal Interest Income                                                       | 16,452            | -                 |
| Recovery of Bad Debt                                                        | 132,500           | -                 |
| Provision for Employee Benefits written back                                | 376               | -                 |
| Provision for sub-standard assets written back                              | 561               | -                 |
| Provision for Diminution in the value of Long Term Investments written back | -                 | 10,780            |
| Liabilities no longer required written back                                 | 395               | 191               |
| <b>Total</b>                                                                | <b>150,562</b>    | <b>15,052</b>     |

### NOTE 21

#### EMPLOYEES BENEFITS EXPENSE

|                                           | 2016-17<br>₹ '000 | 2015-16<br>₹ '000 |
|-------------------------------------------|-------------------|-------------------|
| Salaries, Wages and Bonus                 | 3,990             | 3,379             |
| Contribution to Provident and other funds | 426               | 375               |
| Pension and Gratuity                      | 141               | 492               |
| Workmen and Staff welfare expenses        | 546               | 582               |
| <b>Total</b>                              | <b>5,103</b>      | <b>4,828</b>      |

### NOTE 22

#### FINANCE COSTS

|                       | 2016-17<br>₹ '000 | 2015-16<br>₹ '000 |
|-----------------------|-------------------|-------------------|
| Interest Expense      | 651,331           | 418,206           |
| Other Borrowing Costs | 51,804            | 22,135            |
| <b>Total</b>          | <b>703,135</b>    | <b>440,341</b>    |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 23

#### DEPRECIATION EXPENSE

|                                 | 2016-17<br>₹ '000 | 2015-16<br>₹ '000 |
|---------------------------------|-------------------|-------------------|
| Depreciation on Tangible Assets | 906               | 1,132             |
| <b>Total</b>                    | <b>906</b>        | <b>1,132</b>      |

### NOTE 24

#### OTHER EXPENSES

|                                                                      | 2016-17<br>₹ '000 | 2015-16<br>₹ '000 |
|----------------------------------------------------------------------|-------------------|-------------------|
| Power and fuel                                                       | 1,517             | 2,600             |
| Rent                                                                 | 1,003             | 1,286             |
| Repairs to building                                                  | 11,031            | 3,243             |
| Repairs to machinery                                                 | 1,450             | 2,812             |
| General Repairs and Maintenance                                      | 10,004            | 9,816             |
| Insurance                                                            | 1,002             | 915               |
| Rates and Taxes                                                      | 5,293             | 4,513             |
| Legal and Professional charges                                       | 27,650            | 13,806            |
| Establishment and General Expenses [Refer Note 27]                   | 14,965            | 8,005             |
| Travelling and conveyance                                            | 6,633             | 6,059             |
| Provision for Sub Standard Assets                                    | 50                | 561               |
| Provision for Doubtful Trade Receivables                             | 1,566             | -                 |
| Provision for Diminution in carrying amount of Long-term investments | 25,714            | 14,850            |
| Loss on Disposal of Long-Term Investments                            | -                 | 13,160            |
| Advances written off                                                 | -                 | 3,631             |
| Assets written off                                                   | -                 | 445               |
| Contingent Provision for Standard Asset                              | 1,229             | 3,282             |
| <b>Total</b>                                                         | <b>109,107</b>    | <b>88,984</b>     |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 25A

#### CONTINGENT LIABILITIES

|                                                                                  | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|----------------------------------------------------------------------------------|----------------------------|----------------------------|
| a) Claims against the Company not acknowledged as debts:                         |                            |                            |
| Excise matters under dispute (Note i)                                            | 711                        | 711                        |
| Service Tax Matters under dispute (Note ii)                                      | 26,583                     | 26,583                     |
| Others                                                                           | 10,544                     | 93                         |
| b) Guarantees given for loans granted to companies within the group              | 6,350                      | 6,350                      |
| c) Corporate Guarantees given, in respect of loans borrowed by others (Note iii) |                            |                            |
| Guarantee Amount                                                                 | 9,250,000                  | 5,100,000                  |
| Balance outstanding                                                              | 9,250,000                  | 5,100,000                  |

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

Notes :

- (i) Representing claim in respect of Interest on Excise Duty pending before the Hon'ble High Court at Chennai.
- (ii) 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.
- (iii) The details of corporate guarantees given to various banks are given below:

| Given on behalf of                            | Given to                       | Amount (₹ '000)  |                  |
|-----------------------------------------------|--------------------------------|------------------|------------------|
|                                               |                                | 31st March, 2017 | 31st March, 2016 |
| 1. McNally Bharat Engineering Company Limited | Yes Bank                       | 5,150,000        | 800,000          |
| 2. McNally Bharat Engineering Company Limited | RBL Bank                       | 1,300,000        | 1,500,000        |
| 3. Woodside Parks Limited                     | Axis Trustees Services Limited | 800,000          | 800,000          |
| 4. Seajuli Developers & Finance Limited       | IndusInd Bank                  | 2,000,000        | 2,000,000        |

### NOTE 25B

#### COMMITMENTS:

The Company has given an undertaking to ICICI Bank Limited (the Bank) not to transfer, assign, dispose of, pledge, charge or create any lien or in any way dispose of to the extent of 1304748 shares (31st March 2016 : 1304748 shares) or future shareholdings in McNally Bharat Engineering Company Limited without prior approval of the said bank.



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 26

#### EXPENDITURE IN FOREIGN CURRENCY

|                          | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|--------------------------|----------------------------|----------------------------|
| Pension to Non-Residents | 340                        | 347                        |
| <b>Total</b>             | <b>340</b>                 | <b>347</b>                 |

### NOTE 27

#### INCLUDED IN ESTABLISHMENT AND GENERAL EXPENSES UNDER NOTE 24

|                                                                         | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-------------------------------------------------------------------------|----------------------------|----------------------------|
| As Auditors - Audit Fees                                                | 1,250                      | 1,250                      |
| For Other Services                                                      |                            |                            |
| Tax Audit Fees                                                          | 300                        | 300                        |
| Certifications, etc                                                     | 650                        | 1,150                      |
| For Reimbursement of Expenses                                           |                            |                            |
| Out of Pocket Expenses @                                                | 44                         | 11                         |
| @ Excluding Service Tax not routed through Statement of Profit and Loss | 314                        | 327                        |

### 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 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 Note 19.

### NOTE 29

#### EMPLOYEE BENEFITS

##### I. Defined Contribution Plans

Total contribution to Defined Contribution Plans amount to ₹ 394 thousand (Previous Year : ₹ 329 thousand) included in Contribution to Provident and other Funds (Refer Note 21)

##### 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-imbursement (Unfunded)

The Company has a scheme of re-imbursement 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 (Unfunded)

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 ₹ 10 lakhs.



## NOTES TO THE FINANCIAL STATEMENTS

### (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 Statement of Profit and Loss.

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<br>(₹ '000) |                 | Medical Insurance<br>(₹ '000) |                 | Gratuity<br>(₹ '000) |                 | Leave Encashment<br>(₹ '000) |                 |
|---------------------------------------------------------|---------------------|-----------------|-------------------------------|-----------------|----------------------|-----------------|------------------------------|-----------------|
|                                                         | 31st March 2017     | 31st March 2016 | 31st March 2017               | 31st March 2016 | 31st March 2017      | 31st March 2016 | 31st March 2017              | 31st March 2016 |
| Opening Present Value of obligation                     | 1,386               | 1,482           | 2,042                         | 2,163           | 329                  | 237             | 517                          | 413             |
| Interest Cost                                           | 87                  | 99              | 153                           | 173             | 25                   | 19              | 39                           | 33              |
| Current Service Cost                                    | -                   | -               | -                             | -               | 68                   | 60              | 81                           | 71              |
| Benefits Paid                                           | (444)               | (496)           | (217)                         | (226)           | -                    | -               | -                            | -               |
| Actuarial loss / (gain) on obligations                  | (339)               | 301             | (256)                         | (68)            | 2                    | 13              | (141)                        | -               |
| Closing Present Value of obligation                     | 690                 | 1,386           | 1,722                         | 2,042           | 424                  | 329             | 496                          | 517             |

| Expense Recognized in Profit and Loss Account              | Pension<br>(Note @)<br>(₹ '000) |         | Medical Insurance<br>(Note #)<br>(₹ '000) |         | Gratuity<br>(Note @)<br>(₹ '000) |         | Leave Encashment<br>(Note *)<br>(₹ '000) |         |
|------------------------------------------------------------|---------------------------------|---------|-------------------------------------------|---------|----------------------------------|---------|------------------------------------------|---------|
|                                                            | 2016-17                         | 2015-16 | 2016-17                                   | 2015-16 | 2016-17                          | 2015-16 | 2016-17                                  | 2015-16 |
| Current Service Cost                                       | -                               | -       | -                                         | -       | 68                               | 60      | 81                                       | 71      |
| Interest Cost                                              | 87                              | 99      | 153                                       | 173     | 25                               | 19      | 39                                       | 33      |
| Actuarial loss/ (gain) recognized in the year              | (339)                           | 301     | (256)                                     | (68)    | 2                                | 13      | (141)                                    | -       |
| Expense /(gain) Recognized in statement of Profit and Loss | (252)                           | 400     | (103)                                     | 105     | 95                               | 92      | (21)                                     | 104     |

| Principal Actuarial Assumptions | Pension<br>(₹ '000) |         | Medical Insurance<br>(₹ '000) |         | Gratuity<br>(₹ '000) |         | Leave Encashment<br>(₹ '000) |         |
|---------------------------------|---------------------|---------|-------------------------------|---------|----------------------|---------|------------------------------|---------|
|                                 | 2016-17             | 2015-16 | 2016-17                       | 2015-16 | 2016-17              | 2015-16 | 2016-17                      | 2015-16 |
| Discount Rate                   | 7.5                 | 8       | 7.5                           | 8       | 7.5                  | 8       | 7.5                          | 8       |
| Inflation Rate                  | NA                  |         | NA                            |         | 5                    | 5       | 5                            | 5       |
| Return of Asset                 | NA                  |         | NA                            |         | -                    | -       | -                            | -       |



## NOTES TO THE FINANCIAL STATEMENTS

### Notes:

@ Charge for the year included in Pension and Gratuity (Note 21)

# Charge for the year included in Workmen and Staff Welfare (Note 21)

\* Charge for the year included in Salaries, Wages, Compensation and Bonus (Note 21)

### NOTE 29

#### EMPLOYEE BENEFITS (Contd.)

| Amount recognised in Balance Sheet                 | Pension<br>(₹ '000) |         |         |         |         |         | Medical Insurance<br>(₹ '000) |         |         |         |         |         | Gratuity<br>(₹ '000) |         |         |         |         |         | Leave Encashment<br>(₹ '000) |         |         |         |         |         |
|----------------------------------------------------|---------------------|---------|---------|---------|---------|---------|-------------------------------|---------|---------|---------|---------|---------|----------------------|---------|---------|---------|---------|---------|------------------------------|---------|---------|---------|---------|---------|
|                                                    | 2016-17             | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2016-17                       | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2016-17              | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2016-17                      | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
| Present Value of obligation                        | 690                 | 1,386   | 1,482   | 1,773   | 1,428   | 1,722   | 2,042                         | 2,163   | 2,320   | 2,439   | 424     | 329     | 237                  | 156     | 120     | 496     | 517     | 413     | 302                          | 261     |         |         |         |         |
| Fair value of Plan Asset                           | -                   | -       | -       | -       | -       | -       | -                             | -       | -       | -       | -       | -       | -                    | -       | -       | -       | -       | -       | -                            | -       | -       | -       | -       | -       |
| Net Asset/ (Liability) recognized in Balance Sheet | (690)               | (1,386) | (1,482) | (1,773) | (1,428) | (1,722) | (2,042)                       | (2,163) | (2,320) | (2,439) | (424)   | (329)   | (237)                | (156)   | (120)   | (496)   | (517)   | (413)   | (302)                        | (261)   |         |         |         |         |

| Experience Adjustments | Pension (₹ '000) |         |         |         |         |         | Medical Insurance (₹ '000) |         |         |         |         |         | Gratuity (₹ '000) |         |         |         |         |         | Leave Encashment (₹ '000) |         |         |         |         |         |
|------------------------|------------------|---------|---------|---------|---------|---------|----------------------------|---------|---------|---------|---------|---------|-------------------|---------|---------|---------|---------|---------|---------------------------|---------|---------|---------|---------|---------|
|                        | 2016-17          | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2016-17                    | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2016-17           | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2016-17                   | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
|                        | 150              | 157     | 735     | 311     | 743     | (58)    | (64)                       | (98)    | (133)   | (176)   | 17      | 43      | (4)               | 6       | 2       | 10      | 53      | (23)    | 6                         |         |         |         |         | (8)     |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 30

#### RELATED PARTY DISCLOSURES : IN ACCORDANCE WITH ACCOUNTING STANDARD (AS)-18

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

###### a) Associate Companies:

- 1) Majerhat Estates & Developers Limited (MEDL)
- 2) Kilburn Engineering Limited (KEL)
- 3) Eveready Industries India Limited (EIIL)
- 4) McNally Bharat Engineering Co. Limited (MBECL)

###### b) Joint Venture Company:

- 1) D1 Williamson Magor Bio Fuel Limited (D1WM)

###### c) Key Management Personnel:

Mr. Tuladri Mallick (Manager)

##### (b) Transactions / Balances

| Particulars                 | Year    | Associates |      |       |        | Key Management Personnel |
|-----------------------------|---------|------------|------|-------|--------|--------------------------|
| Transactions:               |         | ₹ '000     |      |       |        | ₹ '000                   |
|                             |         | MBECL      | MEDL | KEL   | EIIL   | Manager                  |
| Interest Income             | 2016-17 | 150,360    | -    | -     | -      | -                        |
|                             | 2015-16 | -          | -    | -     | -      | -                        |
| Dividend Income             | 2016-17 | -          | -    | 8,638 | 17,008 | -                        |
|                             | 2015-16 | -          | -    | -     | 17,008 | -                        |
| Rental Income               | 2016-17 | 300        | -    | 1,008 | 300    | -                        |
|                             | 2015-16 | -          | -    | 1,008 | -      | -                        |
| Maintenance Services        | 2016-17 | -          | -    | 672   | -      | -                        |
|                             | 2015-16 | -          | -    | 392   | -      | -                        |
| Other Consultancy Services  | 2016-17 | -          | -    | 2,400 | 18,000 | -                        |
|                             | 2015-16 | -          | -    | 1,400 | 18,000 | -                        |
| Recovery of Expenses        | 2016-17 | -          | -    | -     | 137    | -                        |
|                             | 2015-16 | -          | -    | -     | 123    | -                        |
| Remuneration                | 2016-17 | -          | -    | -     | -      | 999                      |
|                             | 2015-16 | -          | -    | -     | -      | 908                      |
| Inter-Corporate Loan Given  | 2016-17 | 2,498,100  | -    | -     | -      | -                        |
|                             | 2015-16 | -          | -    | -     | -      | -                        |
| Inter-Corporate Loan Repaid | 2016-17 | 1,908,100  | -    | -     | -      | -                        |
|                             | 2015-16 | -          | -    | -     | -      | -                        |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 30

#### RELATED PARTY DISCLOSURES (Contd.)

| Particulars                                         | Year             | Associates |        |         |         | Key Management Personnel |
|-----------------------------------------------------|------------------|------------|--------|---------|---------|--------------------------|
| Transactions:                                       |                  | ₹ '000     |        |         |         | ₹ '000                   |
|                                                     |                  | MBECL      | MEDL   | KEL     | EIIL    | Manager                  |
| Balance as at year end:                             |                  |            |        |         |         |                          |
| Investments                                         | 31st March, 2017 | 2,421,582  | 14,702 | 106,956 | 961,925 | -                        |
|                                                     | 31st March, 2016 | -          | 14,702 | 106,956 | 961,925 | -                        |
| Provision for Diminution in the value of Investment | 31st March, 2017 | 174,838    | 4,740  | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | 4,740  | -       | -       | -                        |
| Inter Corporate Loan given                          | 31st March, 2017 | 590,000    | 57,365 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | 57,365 | -       | -       | -                        |
| Interest on Inter Corporate Loan given              | 31st March, 2017 | 216,158    | 32,927 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | 32,927 | -       | -       | -                        |
| Trade Receivables                                   | 31st March, 2017 | -          | -      | 367     | 3,450   | -                        |
|                                                     | 31st March, 2016 | -          | -      | 2,386   | 3,435   | -                        |
| Other Receivables                                   | 31st March, 2017 | 14,782     | -      | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | -      | -       | -       | -                        |
| Loans and Advances                                  | 31st March, 2017 | -          | 85     | 438     | 12      | -                        |
|                                                     | 31st March, 2016 | -          | 85     | 438     | 16      | -                        |
| Provision for Doubtful Advances                     | 31st March, 2017 | -          | 57,450 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | 57,450 | -       | -       | -                        |
| Provision for Other Current Assets                  | 31st March, 2017 | -          | 32,927 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | 32,927 | -       | -       | -                        |

#### Transactions / Outstanding with Joint Venture:

|                                                     |                  |         |
|-----------------------------------------------------|------------------|---------|
| Recovery of Expenses                                | 2016-17          | -       |
|                                                     | 2015-16          | -       |
| Balance Outstanding Receivable / (Payable)          | 31st March, 2017 | (4,888) |
|                                                     | 31st March, 2016 | (4,888) |
| Investment outstanding                              | 31st March, 2017 | 59,999  |
|                                                     | 31st March, 2016 | 59,999  |
| Provision for Diminution in the value of Investment | 31st March, 2017 | 59,646  |
|                                                     | 31st March, 2016 | 56,932  |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 31

#### 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 – 15.70%)      |
| Country of Incorporation      | - | India                                |

#### Company's Financial interest in Joint Venture:

| Company's Financial<br>Particulars        | Proportionate interest in Joint Venture |       |                                     |       |
|-------------------------------------------|-----------------------------------------|-------|-------------------------------------|-------|
|                                           | 31st March, 2017<br>Amount (₹ '000)     |       | 31st March, 2016<br>Amount (₹ '000) |       |
| <b>Assets:</b>                            |                                         |       |                                     |       |
| <b>Non-Current</b>                        |                                         |       |                                     |       |
| Property, Plant and Equipment (Net Block) |                                         | 39    |                                     | 52    |
| Other Financial Assets                    |                                         | 21    |                                     | 2,687 |
| <b>Current</b>                            |                                         |       |                                     |       |
| Cash & Bank Balances                      | 356                                     |       | 398                                 |       |
| Short-term loans and advances             | 22                                      | 378   | 22                                  | 420   |
| <b>Liabilities:</b>                       |                                         |       |                                     |       |
| <b>Current</b>                            |                                         |       |                                     |       |
| Other Current Liabilities                 |                                         | 43    |                                     | 49    |
| <b>Income</b>                             |                                         |       |                                     |       |
| Other Income                              |                                         | -     |                                     | 1,487 |
| <b>Expenditure</b>                        |                                         |       |                                     |       |
| Expenses                                  | 2,702                                   |       | 2,708                               |       |
| Depreciation                              | 12                                      | 2,714 | 22                                  | 2,730 |



## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 32

#### EARNINGS/ (LOSS) PER SHARE (EPS)

Net profit/Loss 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, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|---------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>A. BASIC</b>                                                           |                            |                            |
| 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 during the year | 10,956,360                 | 10,956,360                 |
| iv) Face Value of each Equity Share                                       | 10                         | 10                         |
| v) Profit / (Loss) after Tax for Equity Shareholders                      | (1,48,951)                 | (1,58,523)                 |
| vi) Basic Earnings / (Loss) Per share ( v / iii ) (₹)                     | (13.59)                    | (14.47)                    |
| <b>B. DILUTED</b>                                                         |                            |                            |
| i) Number of Dilutive potential Equity Shares                             | -                          | -                          |
| ii) Diluted Earnings / (Loss) per Share (₹)<br>[Same as A (vi) above]     | (13.59)                    | (14.47)                    |

### NOTE 33

#### DEFERRED TAXATION

|                                              | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|----------------------------------------------|----------------------------|----------------------------|
| <b>Deferred tax Liabilities</b>              |                            |                            |
| Depreciation                                 | 2,240                      | 2,296                      |
| <b>Deferred tax Assets</b>                   |                            |                            |
| Unabsorbed Business Losses                   | 251,374                    | 76,661                     |
| Unabsorbed Depreciation                      | 5,139                      | 3,019                      |
| Unabsorbed Capital Losses                    | 38,049                     | 38,049                     |
|                                              | <u>294,562</u>             | <u>117,729</u>             |
| <b>Recognised to the extent of liability</b> | <u>2,240</u>               | <u>2,296</u>               |
| <b>Total Deferred Tax Assets</b>             | <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



## NOTES TO THE FINANCIAL STATEMENTS

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 34

There are no parties registered under the Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Company.

### NOTE 35

#### 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 36

Based on Notification no. DNBR.009/CGM(CDS)-2015 dated 27th March, 2015, provision has been made for standard assets at 0.35 percent of the balance of such assets as at 31st March, 2017 which has been disclosed separately as 'Contingent Provision against Standard Assets' in Note 10.

### NOTE 37

#### DISCLOSURE RELATING TO SPECIFIED BANK NOTES\* (SBNS) HELD AND TRANSACTED DURING THE PERIOD FROM NOVEMBER 8, 2016 TO DECEMBER 30, 2016:

| Particulars                                  | SBNs   | Other<br>denomination<br>notes | Total  |
|----------------------------------------------|--------|--------------------------------|--------|
|                                              | ₹ '000 | ₹ '000                         | ₹ '000 |
| Closing cash in hand as at November 8, 2016  | 196    | 246                            | 442    |
| (+) Permitted receipts                       | -      | 20                             | 20     |
| (-) Permitted payments                       | -      | 19                             | 19     |
| (-) Amount deposited in banks                | 196    | 27                             | 223    |
| Closing cash in hand as at December 30, 2016 | -      | 220                            | 220    |

\* SBNs mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O.3407(E), dated November 8, 2016.

### NOTE 38

Pursuant to the requirements of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, the Company had made an application to the Reserve Bank of India (RBI) seeking extension for regularization of the requirements relating to concentration of investments and exposure norms in a phased manner.

In the meantime RBI 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 Systematically Important Core Investment Company. The Company had filed an application



## NOTES TO THE FINANCIAL STATEMENTS

with RBI for the conversion of its status from Systematically Important Non Deposit Taking Non Banking Financial Company to Systematically Important Non Deposit Taking Core Investment Company as a result of which the Company would not be required to dilute its exposure in terms of investments and loans as mentioned above.

In response to the Company's aforesaid application, RBI had advised the Company in February 2013 to resubmit the application afresh just after attaining the stipulated criteria for a CIC-NDSI but not later than 31st March 2015 and the Company submitted the application afresh based on audited accounts of Financial Year 2013-14 within the stipulated time as provided by the RBI. However RBI has returned the said application advising the Company to refurnish the application afresh based on latest Financials after meeting all the criterion of being a CIC-NDSI. The Company has already filed the application in the financial year 2015-16 with RBI and the matter is still under consideration of RBI.

### NOTE 39

#### PREVIOUS YEAR FIGURES

The previous year figures have been reclassified and regrouped wherever necessary.

**For Lovelock & Lewes**  
Firm Registration No. 301056E  
*Chartered Accountants*

A. Khaitan  
(Vice Chairman)

R. S. Jhavar  
(Director)

**(Pradip Law)**  
*Partner*  
Membership No. 51790

Tuladri Mallick  
(Manager & CFO)

Place : Kolkata  
Date : 30th May 2017

H. U. Sanghavi  
(Company Secretary)



## FINANCIAL YEAR 2016-2017

### Schedule to the Balance Sheet

[As required in terms of Annexure I of Non-Banking Financial Company Systemically Important (Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 ]

| Particulars                                                                                                     | (₹ in lakh)<br>Amount<br>outstanding |
|-----------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <b>Liabilities side:</b>                                                                                        |                                      |
| <b>(1) Loans and advances availed by the Company inclusive of interest accrued thereon but not paid:</b>        |                                      |
| (a) Debentures : Secured                                                                                        | Nil                                  |
| : Unsecured<br>(other than falling within<br>the meaning of public deposits)                                    | Nil                                  |
| (b) Deferred Credits                                                                                            | Nil                                  |
| (c) Term Loans                                                                                                  | 34523.22                             |
| (d) Inter-corporate loans and borrowings                                                                        | 15530.00                             |
| (e) Commercial Paper                                                                                            | Nil                                  |
| (f) Public Deposits                                                                                             | Nil                                  |
| (g) Other Loans (Cash Credit/Demand Loans / Overdrafts)                                                         | Nil                                  |
| <b>Assets side:</b>                                                                                             |                                      |
| <b>(2) Break-up of Loans and Advances including bills receivables {other than those included in (4) below}:</b> |                                      |
| (a) Secured                                                                                                     | -                                    |
| (b) Unsecured *                                                                                                 | 19302.98                             |
| *including Deposits, interest accrued on<br>Loans and Deposits and other receivables                            |                                      |
| <b>(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>         |                                      |
| (i) Lease assets including lease rentals under sundry debtors:                                                  | Nil                                  |
| (a) Financial lease (net of Lease Terminal<br>Adjustment and advance from Lessee)                               | Nil                                  |
| (b) Operating lease                                                                                             | Nil                                  |
| (ii) Stock on hire including hire charges under sundry debtors:                                                 |                                      |
| (a) Assets on hire                                                                                              | Nil                                  |
| (b) Repossessed Assets                                                                                          | Nil                                  |
| (iii) Hypothecation loans counting towards AFC activities                                                       |                                      |
| (a) Loans where assets have been repossessed                                                                    | Nil                                  |
| (b) loans other than (a) above                                                                                  | Nil                                  |



(₹ in lakh)  
Amount  
Outstanding

**(4) Break-up of Investments:**

Current Investments:

1. Quoted:

|                             |     |
|-----------------------------|-----|
| (i) Shares : (a) Equity     | Nil |
| (b) Preference              | Nil |
| (ii) Debentures and Bonds   | Nil |
| (iii) Units of mutual funds | Nil |
| (iv) Government Securities  | Nil |
| (v) Others                  | Nil |

2. Unquoted;

|                             |     |
|-----------------------------|-----|
| (i) Shares : (a) Equity     | Nil |
| (b) Preference              | Nil |
| (ii) Debentures and Bonds   | Nil |
| (iii) Units of mutual funds | Nil |
| (iv) Government Securities  | Nil |
| (v) Others                  | Nil |

Long Term Investments: (Net of Provisions)

1. Quoted:

|                             |           |
|-----------------------------|-----------|
| (i) Shares : (a) Equity     | 30,093.84 |
| (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     | 438.28    |
| (b) Preference              | 10,000.00 |
| (ii) Debentures and Bonds   | Nil       |
| (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**

Category

|                                 | Amount net of provision |                  | Total            |
|---------------------------------|-------------------------|------------------|------------------|
|                                 | Secured                 | Unsecured        |                  |
| 1. Related Parties              |                         |                  |                  |
| (a) Subsidiaries                | -                       | -                | -                |
| (b) Companies in the same group | -                       | -                | -                |
| (c) Other related parties       | -                       | -                | -                |
| 2. Other than related parties   | -                       | 14,384.06        | 14,384.06        |
| <b>Total</b>                    | -                       | <u>14,384.06</u> | <u>14,384.06</u> |



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

| Category                        | Market value /<br>Break-up or<br>fair value<br>or NAV | Book value<br>(Net of<br>Provision) |
|---------------------------------|-------------------------------------------------------|-------------------------------------|
| 1. Related Parties              |                                                       |                                     |
| (a) Subsidiaries                | -                                                     | -                                   |
| (b) Companies in the same group | -                                                     | -                                   |
| (c) Other related parties       | 53,695.76                                             | 23,259.41                           |
| 2. Other than related parties   | 20,781.31                                             | 17,272.71                           |
| <b>Total</b>                    | <u>74,477.07</u>                                      | <u>40,532.12</u>                    |

(7) **Other Information**

| Particulars                                   | Amount |
|-----------------------------------------------|--------|
| (i) Gross Non-Performing Assets (a+b)         | Nil    |
| (a) Related parties                           | Nil    |
| (b) Other than related parties                | Nil    |
| (ii) Net Non-Performing Assets (a+b)          | Nil    |
| (a) Related parties                           | Nil    |
| (b) Other than related parties                | Nil    |
| (iii) Assets acquired in satisfaction of debt | Nil    |



## FINANCIAL YEAR 2016-2017

### Schedule to the Balance Sheet

[As required in terms of Annexure XII of Non-Banking Financial Company Systemically Important (Non-Deposit Taking Company and Deposit Taking Company (Reserve Bank) Directions, 2016 ]

#### (A) Capital to Risk Assets Ratio (CRAR)

| Items |                           | Current Year | Previous Year |
|-------|---------------------------|--------------|---------------|
| i)    | CRAR (%)                  | 6.09%        | 10.66%        |
| ii)   | CRAR- Tier I Capital (%)  | 6.05%        | 10.61%        |
| iii)  | CRAR- Tier II Capital (%) | 0.04%        | 0.05%         |

#### (B) Exposure to Real Estate Sector

NIL

#### (C) Asset Liability Management

Maturity pattern of certain items of assets and liabilities

(₹ In crore)

|                                  | 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  |
|----------------------------------|---------------------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|------------------------|-------------------------|--------------|--------|
| <b>Liabilities</b>               |                                 |                            |                             |                             |                         |                        |                         |              |        |
| Borrowings from banks            | --                              | --                         | --                          | --                          | --                      | --                     | --                      | --           | --     |
| Market borrowings - Institutions | 2.52                            | 2.57                       | 2.59                        | 57.81                       | 16.57                   | 74.16                  | 13.88                   | 175.00       | 345.10 |
| Market borrowings - Others       | 5.50                            | 38.20                      | 39.75                       | 40.05                       | 31.80                   | -                      | -                       | 0.47         | 155.77 |
| <b>Assets</b>                    |                                 |                            |                             |                             |                         |                        |                         |              |        |
| Advances                         | 8.00                            | 25.00                      | 37.67                       | 52.20                       | 20.98                   | -                      | -                       | -            | 143.85 |
| Investments                      | --                              | --                         | --                          | 22.00                       | 25.00                   | 73                     | 12                      | 273.32       | 405.32 |



### Form AOC - I

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

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

**Part “A”: Subsidiaries- The Company does not have any Subsidiary.**

(Information in respect of each subsidiary to be presented with amounts in ₹ lakhs)

| Sl. No.                                                                                                 | 1  |
|---------------------------------------------------------------------------------------------------------|----|
| Name of the subsidiary                                                                                  | NA |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period | NA |
| Reporting currency                                                                                      | NA |
| Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.   | NA |
| Share capital                                                                                           | NA |
| Reserves & surplus                                                                                      | NA |
| Total Assets                                                                                            | NA |
| Total Liabilities                                                                                       | NA |
| Investments                                                                                             | NA |
| Turnover                                                                                                | NA |
| Profit before taxation                                                                                  | NA |
| Provision for taxation                                                                                  | NA |
| Profit after taxation                                                                                   | NA |
| Proposed Dividend                                                                                       | NA |
| % of shareholding                                                                                       | NA |

**Form AOC - I (Contd.)****Part “B”: Associates and Joint Ventures**

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

| Name of Associates                                                                         | Kilburn Engineering Limited | Eveready Industries India Limited                                             | McNally Bharat Engineering Co. Limited                                        | Majerhat Estates & Developers Limited | D1 Williamson Magor Bio Fuel Limited (Joint Venture) |
|--------------------------------------------------------------------------------------------|-----------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------|---------------------------------------|------------------------------------------------------|
| 1. Latest audited Balance Sheet Date                                                       | 31st Mar 17                 | 31st Mar 17                                                                   | 31st Mar 17                                                                   | 31st Mar 17                           | 31st Mar 17                                          |
| 2. Shares of Associate held by the Company on the year end                                 |                             |                                                                               |                                                                               |                                       |                                                      |
| No.                                                                                        | 4319043                     | 17007841                                                                      | 12467437                                                                      | 1470000                               | 3333273                                              |
| Amount of Investment in Associates/Joint Venture (₹ in lakhs)                              | 1069.56                     | 9619.26                                                                       | 14215.82                                                                      | 147.02                                | 600                                                  |
| Extent of Holding %                                                                        | 32.58                       | 23.4                                                                          | 23.26                                                                         | 49                                    | 15.7                                                 |
| 3. Description of how there is significant influence                                       | Because of shareholding     | Because of shareholding                                                       | Because of shareholding                                                       | Because of shareholding               | Common Management                                    |
| 4. Reason why the associate is not consolidated                                            | Consolidated                | Unavailability of IGAAP compliant financial statements/ financial information | Unavailability of IGAAP compliant financial statements/ financial information | Consolidated                          | Consolidated                                         |
| 5. Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in lakhs) | 3,589.77                    | 6774.96                                                                       | 2381.12                                                                       | 116.83                                | 3.95                                                 |
| 6. Profit/(Loss) for the year (₹ in lakhs)                                                 | 733.01                      | 9191.65                                                                       | (5,875.19)                                                                    | (0.17)                                | (172.88)                                             |
| i. Considered in Consolidation (₹ in lakhs)                                                | 733.01                      | -                                                                             | -                                                                             | - 0.17                                | - 172.88                                             |
| ii. Not Considered in Consolidation (₹ in lakhs)                                           | -                           | 9191.65                                                                       | - 5875.19                                                                     | -                                     | -                                                    |

For and on behalf of the Board of Directors

Place : Kolkata

Date : 30th May, 2017

R. S. Jhawar

Director

H. U. Sanghavi

Company Secretary



# **Consolidated Financial Statements**



## INDEPENDENT AUDITORS' REPORT

### To the Members of Williamson Magor & Co. Limited

#### Report on the Consolidated Financial Statements

1. We were engaged to audit the accompanying consolidated financial statements of Williamson Magor & Co Limited ("hereinafter referred to as the Investing Company") and its jointly controlled entity and associate companies; [refer Note 1 (b) to the attached consolidated financial statements], comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

#### Management's Responsibility for the Consolidated Financial Statements

2. The Investing Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Investing Company including its associates and jointly controlled entity in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Investing Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the Investing Company and its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Investing Company and its associates and jointly controlled entity respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Investing Company, as aforesaid.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the consolidated financial statements.

#### Basis for Disclaimer of Opinion

5. We draw your attention to the following matters:
  - a) Note 37 to the consolidated financial statements regarding the Investing Company's investment in two associates (Eveready Industries India Limited and McNally Bharat Engineering Co. Limited) aggregating ₹ 23,23,744 thousands as at March 31, 2017, for which financial statements / financial information of those associates prepared under the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 have not been furnished due to change in the entire accounting



system as a result of the adoption of Ind AS Framework. Accordingly, these two associates have not been accounted for under the equity method by the Investing Company in the preparation of the consolidated financial statements of the Investing Company, resulting in non-compliance with AS 23, Accounting for Investment in Associates in Consolidated Financial Statements.

- b) Note 37 to the consolidated financial statements regarding the Investing Company's investment in respect of one of the associates referred to in paragraph 5(a) above, acquired during the year with effect from September 8, 2016, (McNally Bharat Engineering Co. Limited), for which goodwill / capital reserve as at the date of acquisition could not be computed by the Management in the absence of the financial statements / financial information prepared under the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and hence no disclosure in this respect has been made resulting in noncompliance with the requirements of AS 23, Accounting for Investment in Associates in Consolidated Financial Statements.

The impact of the aforesaid matters are presently not ascertainable.

6. Further, the financial statements of Kilburn Engineering Limited for the year ended March 31, 2017, an associate company of the Investing Company was audited by another firm of chartered accountants, who vide their report dated May 29, 2017 have reported under "Basis for qualified opinion" as follows:

"The Company has made a partial provision for diminution in value of its investment in equity shares of McNally Bharat Engineering & Company Limited for reason stated in Note 26.4. We are unable to express an opinion on the extent of other than temporary diminution, if any, in the value of investment in view of significant reduction in market price of the shares".

The Note no 26.4 referred to above has been reproduced by the Management vide Note 39 in the Notes to Consolidated Financial Statements.

#### **Disclaimer of Opinion**

7. Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements.

#### **Other Matter**

8. We did not audit the financial statements of one jointly controlled entity whose financial statements reflect total assets of ₹ 438 thousands and net assets of ₹ 395 thousands as at March 31, 2017, total revenue of ₹ Nil, net loss of ₹ 2,714 thousands and net cash flows amounting ₹ (268) thousands for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Investing Company's share of net profit of ₹ 23,873 thousands for the year ended March 31, 2017 as considered in the consolidated financial statements, in respect of two associate companies whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, on which we have relied insofar as it relates to the amounts and disclosures included in respect of these jointly controlled entity and associate companies and in respect of our reporting in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid jointly controlled entities and associates.
9. We did not audit the consolidated financial statements of Eveready Industries India Limited, McNally Bharat Engineering & Co. Limited, an associates of the Company, whose consolidated financial statements for the year



ended March 31, 2017, had been prepared under the Companies (Indian Accounting Standards) Rules, 2015 (Refer paragraph 5 above). The consolidated financial statements of Eveready Industries India Ltd. were audited by another firm of Chartered Accountants who issued an unmodified opinion vide their report dated May 30, 2017, as furnished to us. Further, the audit opinion on the consolidated financial statements of McNally Bharat Engineering & Co. Limited, an associate of the Company prepared under the Companies (Indian Accounting Standards) Rules, 2015 (Refer paragraph above), was qualified by us vide our report dated June 1, 2017.

### Report on Other Legal and Regulatory Requirements

10. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. However, as described in the Basis for Disclaimer of Opinion paragraph, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of accounts as required by law maintained by the Investing Company, associate companies and jointly controlled entity incorporated in India and considered in the consolidated financial statements, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Investing Company and the reports of the other auditors. Further as mentioned in the Auditor's Report dated May 29 2017 on the financial statements of Kilburn Engineering Limited, an associate of the Investing Company, issued by an independent firm of Chartered Accountants which is reproduced as hereunder:

“Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Investing Company, associate companies and jointly controlled entity incorporated in India including relevant records relating to the preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 except for the indeterminate effects of the matter described in the Basis for Disclaimer of Opinion paragraph and the Auditor's Report dated May 29, 2017 on the financial statements of Kilburn Engineering Limited, an associate company of the Investing Company, issued by an independent firm of Chartered Accountants which is reproduced as here under :

“Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above relating to Accounting Standard 13, Accounting for Investments, in our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act”

- (e) The Auditor's Report dated May 29, 2017 on the financial statements of Kilburn Engineering Limited, an associate company of the Investing Company, issued by an Independent firm of Chartered Accountants is reproduced here as under:



“The matter described in the Basis for Disclaimer Opinion paragraph above, in our opinion may have an adverse effect on the functioning of the company.” [Reproduced in paragraph 6 above]

Due to possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether they have any adverse effect on the functioning of the Company.

- (f) On the basis of the written representations received from the directors of the Investing Company as on 31st March, 2017 taken on record by the Board of Directors of the Investing Company and thereports of the statutory auditors of associate companies and jointly controlled company incorporated in India, none of the directors of the Investing company, its associate companies and jointly controlled company incorporated in India and included in consolidated financial statement is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With reference to maintenance of accounts and other matters connected therewith, attention is drawn to our comments in the Basis of Disclaimer of Opinion Paragraph above.

Further, The Auditor’s Report dated May 29, 2017 on the financial statements of Kilburn Engineering Limited, an associate of the Investing Company, issued by an independent firm of Chartered Accountants is reproduced here as under:

“The qualification relating to the maintenance of accounts and other matters connected therewith are asstated in the Basis for Disclaimer Opinion paragraph above.” [Reproduced in paragraph 6 above]

- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Investing Company, its associate companies and jointly controlled company incorporated in India and the operating effectiveness of such controls, refer to our separate Report inAnnexure A.
- (i) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 ofthe Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Investing Company, its associates and jointly controlled entity and included in consolidated financial statements – Refer Note 25A to theconsolidated financial statements.
  - ii. The Auditor’s Report dated May 29, 2017 on the financial statements of Kilburn Engineering & Co Ltd, an associate company of the Investing Company, issued by an independent firm of Chartered Accountants is reproduced here as under:
 

“The Company has made provision, as required under the applicable law or accounting standards, formaterial foreseeable losses, if any, on long-term contracts including derivative contracts as at the year end. Refer note 27.7 to the financial statements.”

Apart from above, the Investing Company, its associates and jointly controlled entity had long-term contracts including derivative contracts as at March 31, 2017 for which there were no material foreseeablelosses.
  - iii. There was no amounts which were required to be transferred to the Investor Education and Protection fund by the Investing Company, and associate companies and jointly controlled company incorporated in India during the year ended March 31, 2017.



- iv. The Investing Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Investing Company, and jointly controlled company incorporated in India and included in consolidated financial statements and as produced to us by the Management – Refer Note 36.

For Lovelock and Lewes  
Firm Registration Number: 301056E  
Chartered Accountants

Pradip Law  
Partner  
Membership Number 51790

Kolkata  
August 08, 2017



## Annexure A to Independent Auditors' Report

Referred to in paragraph 10 [h] of the Independent Auditors' Report of even date to the members of Williamson Magor & Co. Limited on the consolidated financial statements for the year ended March 31, 2017.

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of

1. We were engaged to audit the internal financial controls over financial reporting of Williamson Magor & Co. Limited (hereinafter referred to as "the Investing Company") and its associate companies and jointly controlled company, which are companies incorporated in India, as of March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Investing Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.
4. Because of the matters described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

### Meaning of Internal Financial Controls Over Financial Reporting

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



### **Basis for Disclaimer of Opinion**

6. The system of internal financial controls over financial reporting with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2017 resulting in a material weakness as set out below:
  - a) Equity method of accounting has not been applied by the Investing Company in respect of its two significant associates (Eveready Industries Limited and McNally Bharat Engineering Co. Limited) in the preparation of its consolidated financial statements resulting in non-compliance with Accounting Standard 23, Accounting for Investment in Associates in Consolidated Financial Statements (AS 23) due to non-availability of financial statements / financial information of those associates prepared under the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - b) In respect of one of the associates referred to in paragraph 6(a) above, acquired during the year with effect from September 8, 2016, (McNally Bharat Engineering Co. Limited), for which goodwill / capital reserve as at the date of acquisition has not been computed and disclosed by the Investing Company in the absence of the financial statements/ financial information prepared under the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 resulting in non-compliance with the requirements of AS 23.
7. The internal financial control over financial reporting of Kilburn Engineering Limited for the year ended March 31, 2017, an associate company of Investing company, was audited by another firm of chartered accountants, who vide their report dated May 29, 2017 have reported under Basis for Qualified Opinion as follows:

“According to the information and explanations given to us and based on our audit, a material weakness has been identified as at March 31, 2017 in the Company’s internal control system with respect to valuation of the Investment in shares of McNally Bharat Engineering Company Limited in view of the significant reduction in the market price of the shares, as described in Note 26.4 of the Financial Statement, which could result in stating the investments at a value higher than its realisable value.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis.”

### **Disclaimer of Opinion**

8. As described in the Basis for Disclaimer paragraph above, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.
9. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company for the year ended March 31, 2017, and the disclaimer has affected our opinion on the consolidated financial statements of the Investing Company and we have issued a disclaimer of opinion on the consolidated financial statements for the year ended on that date. Refer paragraph 7 of the main audit report on the consolidated financial statements.

**Other Matter**

10. (a) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two associate companies and one jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.
- (b) We did not audit the internal financial controls over financial reporting of Eveready Industries India Limited, McNally Bharat Engineering & Co. Limited an associate of the Company, whose consolidated financial statements for the year ended March 31, 2017, had been prepared under the Companies (Indian Accounting Standards) Rules, 2015 (Refer paragraph 6 above and paragraph 5 of our audit report). The consolidated financial statements of Eveready Industries India Ltd. were audited by another firm of Chartered Accountants who issued an unmodified opinion on the internal financial controls over financial reporting vide their report dated May 30, 2017 as furnished to us. Further, the auditors' opinion on the internal financial controls over financial reporting in respect of the consolidated financial statements of McNally Bharat Engineering & Co. Limited, an associate of the Company, whose financial statements prepared under the Companies (Indian Accounting Standards) Rules, 2015 (Refer paragraph 6 above and paragraph 5 of our audit report), was qualified by us vide our report dated May 30, 2017.

For Lovelock and Lewes  
Firm Registration Number: 301056E  
Chartered Accountants

Pradip Law  
Partner  
Membership Number 51790

Kolkata  
August 08, 2017

**CONSOLIDATED BALANCE SHEET**

AS AT 31ST MARCH, 2017

| Particulars                                                                               | Note No. | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-------------------------------------------------------------------------------------------|----------|----------------------------|----------------------------|
| <b>Equity and Liabilities</b>                                                             |          |                            |                            |
| <b>Shareholders' Funds</b>                                                                |          |                            |                            |
| Share Capital                                                                             | 2        | 109,564                    | 109,564                    |
| Reserves and Surplus                                                                      | 3        | 1,277,328                  | 1,417,272                  |
|                                                                                           |          | <b>1,386,892</b>           | <b>1,526,836</b>           |
| <b>Non-current Liabilities</b>                                                            |          |                            |                            |
| Long-term Borrowings                                                                      | 4        | 2,630,401                  | 202,349                    |
| Other Long-term Liabilities                                                               | 5        | 4,676                      | 4,676                      |
| Long-term Provisions                                                                      | 6        | 1,917                      | 3,296                      |
|                                                                                           |          | <b>2,636,994</b>           | <b>210,321</b>             |
| <b>Current Liabilities</b>                                                                |          |                            |                            |
| Short-term Borrowings                                                                     | 7        | 2,053,000                  | 3,455,000                  |
| Trade Payables                                                                            | 8        |                            |                            |
| Total outstanding dues of micro enterprises<br>and small enterprises and                  |          | -                          | -                          |
| Total outstanding dues of creditors other than<br>micro enterprises and small enterprises |          | 25,467                     | 3,052                      |
| Other Current Liabilities                                                                 | 9        | 413,470                    | 280,147                    |
| Short-term Provisions                                                                     | 10       | 7,919                      | 6,253                      |
|                                                                                           |          | <b>2,499,856</b>           | <b>3,744,452</b>           |
| <b>Total</b>                                                                              |          | <b>6,523,742</b>           | <b>5,481,609</b>           |
| <b>Assets</b>                                                                             |          |                            |                            |
| <b>Non-current Assets</b>                                                                 |          |                            |                            |
| Fixed Assets                                                                              |          |                            |                            |
| Tangible assets                                                                           | 11       | 18,071                     | 18,901                     |
| Non-current Investments                                                                   | 12       | 4,519,746                  | 3,323,751                  |
| Long-term Loans and Advances                                                              | 13       | 4,877                      | 7,622                      |
| Other Non-current assets                                                                  | 14       | 7,020                      | 4,526                      |
|                                                                                           |          | <b>4,549,714</b>           | <b>3,354,800</b>           |
| <b>Current Assets</b>                                                                     |          |                            |                            |
| Trade Receivables                                                                         | 15       | 6,800                      | 16,731                     |
| Cash and Bank Balances                                                                    | 16       | 55,584                     | 21,064                     |
| Short-term Loans and Advances                                                             | 17       | 1,509,990                  | 2,049,071                  |
| Other Current Assets                                                                      | 18       | 401,654                    | 39,943                     |
|                                                                                           |          | <b>1,974,028</b>           | <b>2,126,809</b>           |
| <b>Total</b>                                                                              |          | <b>6,523,742</b>           | <b>5,481,609</b>           |

The notes are an integral part of these consolidated financial statements.

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

**For Lovelock & Lewes**  
Firm Registration No. 301056E  
Chartered Accountants

**(Pradip Law)**  
Partner  
Membership No. 51790

Place : Kolkata  
Date : 8th August, 2017

A. Khaitan  
(Vice Chairman)

R. S. Jhavar  
(Director)

Tuladri Mallick  
(Manager & CFO)

H. U. Sanghavi  
(Company Secretary)



# **CONSOLIDATED STATEMENT OF PROFIT AND LOSS** FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars                                                                      | Note No. | 2016-17          | 2015-16          |
|----------------------------------------------------------------------------------|----------|------------------|------------------|
|                                                                                  |          | ₹ '000           | ₹ '000           |
| Revenue from Operations                                                          | 19       | 493,092          | 329,733          |
| Other Income                                                                     | 20       | 150,562          | 10,592           |
| <b>Total Revenue</b>                                                             |          | <b>643,654</b>   | <b>340,325</b>   |
| <b>Expenses:</b>                                                                 |          |                  |                  |
| Employee Benefits Expense                                                        | 21       | 5,103            | 4,839            |
| Finance Costs                                                                    | 22       | 703,135          | 440,341          |
| Depreciation Expense                                                             | 23       | 918              | 1,154            |
| Other Expenses                                                                   | 24       | 98,315           | 65,400           |
| <b>Total Expenses</b>                                                            |          | <b>807,471</b>   | <b>511,734</b>   |
| <b>Profit/(Loss) before Exceptional Items and Tax</b>                            |          | <b>(163,817)</b> | <b>(171,409)</b> |
| Exceptional Item                                                                 | 34       | -                | (25,296)         |
| <b>Profit/(Loss) before Tax</b>                                                  |          | <b>(163,817)</b> | <b>(196,705)</b> |
| Tax Expense                                                                      |          |                  |                  |
| - Current tax                                                                    |          | -                | -                |
| - Earlier Period                                                                 |          | -                | 4,291            |
| - Provision written back for earlier years (net)                                 |          | -                | (19,260)         |
| - Deferred Tax                                                                   |          | -                | -                |
| <b>Profit/(Loss) after Tax but before share of Profit/(Loss) from Associates</b> |          | <b>(163,817)</b> | <b>(181,736)</b> |
| Add: Share of Net Profit of Associates                                           |          | 23,873           | 99,465           |
| <b>Profit/(Loss) for the year</b>                                                |          | <b>(139,944)</b> | <b>(82,271)</b>  |
| <b>Earnings/(Loss) per Equity Share</b>                                          |          |                  |                  |
| <b>(Nominal value per share Rs.10 )</b>                                          | 30       |                  |                  |
| <b>Basic</b>                                                                     |          | (12.77)          | (7.51)           |
| <b>Diluted</b>                                                                   |          | (12.77)          | (7.51)           |

The notes are an integral part of these consolidated financial statements.

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

**For Lovelock & Lewes**  
Firm Registration No. 301056E  
Chartered Accountants

**(Pradip Law)**  
Partner  
Membership No. 51790

Place : Kolkata  
Date : 8th August, 2017

A. Khaitan  
(Vice Chairman)

R. S. Jhawar  
(Director)

Tuladri Mallick  
(Manager & CFO)

H. U. Sanghavi  
(Company Secretary)



## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017

| Particulars                                                           | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-----------------------------------------------------------------------|----------------------------|----------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                         |                            |                            |
| Net profit/(loss) before tax and exceptional items                    | (163,817)                  | (171,409)                  |
| Adjustment for :                                                      |                            |                            |
| Depreciation                                                          | 918                        | 1,154                      |
| (Profit)/Loss on sale of Long- Term Investment                        | -                          | (4,833)                    |
| Dividend Received from Associate Companies                            | 25,646                     | 17,008                     |
| Provision for Diminution in Carrying amount of long- term Investments | 12,220                     | 1,729                      |
| Contingent Provision against Standard Assets                          | 1,229                      | 3,282                      |
| Provision for Sub Standard Assets                                     | 50                         | 561                        |
| Provision for Doubtful Trade Receivables                              | 1,566                      | -                          |
| Provision for Doubtful Advances                                       | 2,666                      | 2,666                      |
| Provision for Sub-Standard Assets written back                        | (561)                      | -                          |
| Advances written off                                                  | -                          | 3,631                      |
| Assets written off                                                    | -                          | 445                        |
| Liabilities written back                                              | -                          | (1,678)                    |
| Interest Received on Refund of Income Tax                             | -                          | (3,820)                    |
| Provision for Employment Benefits                                     | 95                         | 701                        |
| Provision for Employment Benefits written back                        | (376)                      | -                          |
| <b>Operating loss before working capital changes</b>                  | <b>(120,364)</b>           | <b>(150,563)</b>           |
| Adjustment for :                                                      |                            |                            |
| Trade and other receivables                                           | 230,713                    | (1,298,037)                |
| Sundry Creditors and other liabilities                                | (39,538)                   | 111,568                    |
| Retirement benefits paid                                              | (661)                      | (722)                      |
| <b>Cash generated/(used) from operations</b>                          | <b>70,150</b>              | <b>(1,337,754)</b>         |
| Interest received on refund of income tax                             | -                          | 3,820                      |
| Direct tax paid                                                       | (46,882)                   | (19,927)                   |
| <b>Net cash used in Operating Activities</b>                          | <b>23,268</b>              | <b>(1,353,861)</b>         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                         |                            |                            |
| Proceeds from Unclaimed Redeemed Preference Share Account             | -                          | 162                        |
| Purchase of tangible assets                                           | (88)                       | (4)                        |
| Sale of investments in an Associate                                   | -                          | 4,833                      |
| Purchase of long - term investments                                   | (1,209,988)                | (486,269)                  |
| <b>Net cash used in Investing Activities</b>                          | <b>(1,210,076)</b>         | <b>(481,278)</b>           |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                         |                            |                            |
| Proceeds from long term borrowings                                    | 2,750,000                  | -                          |
| Repayment of long term borrowings                                     | (126,672)                  | (112,282)                  |
| Proceeds from short term borrowings                                   | 11,503,000                 | 3,455,000                  |
| Repayment of short term borrowings                                    | (12,905,000)               | (1,519,500)                |
| <b>Net cash from Financing Activities</b>                             | <b>1,221,328</b>           | <b>1,823,218</b>           |
| Net increase/(decrease) in cash and cash equivalents                  | 34,520                     | (11,921)                   |
| Cash and cash equivalents(Opening Balance)                            | 21,051                     | 32,972                     |
| Cash and cash equivalents(Closing Balance) [Note 16]                  | 55,571                     | 21,051                     |

- (a) The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended].

The notes are an integral part of these consolidated financial statements.

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

**For Lovelock & Lewes**  
Firm Registration No. 301056E  
Chartered Accountants

**(Pradip Law)**  
Partner  
Membership No. 51790

Place : Kolkata  
Date : 8th August, 2017

A. Khaitan  
(Vice Chairman)

R. S. Jhavar  
(Director)

Tuladri Mallick  
(Manager & CFO)

H. U. Sanghavi  
(Company Secretary)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. Significant Accounting Policies

#### a) Basis of Preparation

These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 (the “Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these consolidated financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended]; the other relevant provisions of 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 III to the Companies Act, 2013. Considering its nature of business, the Investing Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

#### b) Consolidation

The Consolidated Financial Statements comprise the Financial Statements of Williamson Magor & Co. Limited (the Investing Company), its Associates and Joint Venture. The Consolidated Financial Statements are prepared in accordance with 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” read with Accounting Standard 21(AS 21) on “Consolidated Financial Statements”.

The Consolidated Financial Statements are prepared on the following basis :

#### i) Investment in Associates

Investment in Associates have been accounted for using the Equity Method of accounting whereby the investment is initially recorded at cost and adjusted thereafter for post – acquisition change in the Investing Company’s share of net assets. The excess of cost of acquisition over the Investing Company’s share of equity of the Associates on the respective dates of acquisition is recognized as Goodwill and the excess of the Investing Company’s share of equity of the Associates over the cost of acquisition on the respective dates of acquisition is recognised as Capital Reserve. Application of Equity Method of accounting of investment, as aforesaid, is discontinued from the date, an entity ceases to be an Associate and from such date, investment in the Associate is accounted for in accordance with Accounting Standard (AS) 13, Accounting for Investments. For this purpose, carrying amount of such investment on the date of discontinuance is regarded as cost thereafter.

#### ii) Investment in Joint Venture

Joint Venture of the Investing Company have been accounted for in the Consolidated Financial Statements using the proportionate consolidation method whereby the venturer’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 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 and is tested for impairment on annual basis.

iii) In applying the proportionate consolidation method, adjustments, when impracticable, are not made in the financial statements of the associates and joint venture company relating to differences in accounting policies as compared to those of the Investing Company.



iv) The associates and joint venture considered in the consolidated financial statements are as follows:

| a) | Name of the Company | Country of Incorporation | % of ownership interest held as on 31st March, 2017 |
|----|---------------------|--------------------------|-----------------------------------------------------|
|----|---------------------|--------------------------|-----------------------------------------------------|

**Joint Venture**

|                                      |       |        |
|--------------------------------------|-------|--------|
| D1 Williamson Magor Bio Fuel Limited | India | 15.70% |
|--------------------------------------|-------|--------|

**Associates**

|                                       |       |        |
|---------------------------------------|-------|--------|
| Kilburn Engineering Limited           | India | 32.58% |
| Majerhat Estates & Developers Limited | India | 49.00% |

b) However, the following Associates have not been consolidated Financial Statements as on 31st March, 2017. (Refer Note 37)

**Associates**

|                                    |       |        |
|------------------------------------|-------|--------|
| Mcnelly Bharat Engineering Company | India | 23.26% |
| Everady Industries India Limited   | India | 23.40% |

**c) Tangible Assets**

Tangible assets are stated at cost of acquisition net of 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 Consolidated Statement of Profit and Loss.

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

**d) Depreciation**

Depreciation on tangible assets (other than Land - Freehold) is provided on pro-rata basis on reducing balance method over the estimated useful lives of the assets as specified in requirement of Schedule II to the Act.

Depreciation is provided by one Associate & one Joint Venture 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 and Jointly Controlled Entity for the purpose of consolidation.

**e) Investments**

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

However, in case of one Associate, Current Investments are carried at lower of cost or fair value.

**f) Inventories**

The Investing Company, one associate and one joint venture company do not have any inventory.

However, Inventories of one associate 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.

**g) 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.



#### **h) Employee Benefits**

Short term employee benefits :

These are recognised at the undiscounted amount in the consolidated 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 Consolidated Balance Sheet date.

Actuarial gains and losses are recognized immediately in the Consolidated Profit and Loss Statement. The retirement benefit obligation provided in the Consolidated Balance Sheet represents the present value of defined benefit obligations.

#### **i) 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.

However in case of one Associate, the exchange differences relating to non-integral foreign operations are accumulated in a "Foreign Currency Translation Reserve" until disposal of the operation, in which case the accumulated balance in "Foreign Currency Translation Reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.

This accounting policy relates to Eveready Industries India Limited, one of the Associates of the Investing Company. Also refer Note 1(b)(iv)(b) above.

#### **j) Hedge Accounting**

One of the Associates, has applied the principles of hedge accounting as set out in Accounting Standard - 30 "Financial Instruments: Recognition and Measurement" to those futures and options that are designated as cash flow hedges. The changes in the fair value of such contracts, to the extent that they are effective, are recognised directly in the Cash Flow Hedge Reserve Account under Reserves and Surplus, net of applicable taxes, and the ineffective portion is recognised in the Consolidated Statement of Profit and Loss. The balance in the Cash Flow Hedge Reserve Account is reclassified in the Consolidated Statement of Profit and Loss when the hedged item affects the profit or loss.

This accounting policy relates to Eveready Industries India Limited, one of the Associates of the Investing Company. Also refer Note 1(b)(iv)(b) above.

#### **k) Derivative Contracts**

One of the Associates enters into derivative contracts in the nature of foreign currency swaps, forward contracts with an intention to hedge its existing assets and liabilities, in foreign currency. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations. All other derivative contracts are marked-to-market and losses are recognised in the Consolidated Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

This accounting policy relates to Eveready Industries India Limited, one of the Associates of the Investing Company. Also refer Note 1(b)(iv)(b) above.

#### **l) Borrowing Cost**

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

**m) 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 Consolidated Balance Sheet date.

**n) 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 Consolidated 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.

**o) Use of Estimates:**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles followed in India requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

**p) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 2

#### SHARE CAPITAL

|                                               | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-----------------------------------------------|----------------------------|----------------------------|
| <b>Authorised :</b>                           |                            |                            |
| 23,750,000 ( 31 March, 2016 : 23,750,000)     |                            |                            |
| Equity Shares of ₹ 10/- each                  | 237,500                    | 237,500                    |
| 125,000 ( 31 March, 2016: 125,000 )           |                            |                            |
| Preference Shares of ₹ 100/- each             | 12,500                     | 12,500                     |
| <b>Issued, Subscribed and Fully Paid-up :</b> | <b>250,000</b>             | <b>250,000</b>             |
|                                               |                            |                            |
| 10,956,360 (31 March, 2016 : 10,956,360)      |                            |                            |
| Equity Shares of ₹ 10/- each                  | 109,564                    | 109,564                    |
| <b>Total</b>                                  | <b>109,564</b>             | <b>109,564</b>             |

#### (a) Term/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 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, 2017<br>No. % holding |       | 31st March, 2016<br>No. % holding |       |
|----------------------------------|-----------------------------------|-------|-----------------------------------|-------|
| Bishnauth Investments Limited    | 5,036,629                         | 45.97 | 5,036,629                         | 45.97 |
| United Machine Co. Limited       | 907,210                           | 8.28  | 907,210                           | 8.28  |
| Ichamati Investments Private Ltd | 835,364                           | 7.62  | 835,364                           | 7.62  |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 3

#### RESERVES AND SURPLUS

##### Capital Reserve

Balance as at the beginning of the year  
Balance as at the end of the year

##### Capital Redemption Reserve

Balance as at the beginning of the year  
Balance as at the end of the year

##### General Reserve [Refer (a) below]

Balance as at the beginning of the year  
Balance as at the end of the year

##### Securities Premium

Balance as at the beginning of the year  
Balance as at the end of the year

##### Amalgamation Reserve

Balance as at the beginning of the year  
Balance as at the end of the year

##### Foreign Currency Translation Reserve

Balance as at the beginning of the year  
Add: Share of Associates on Consolidation  
Balance as at the end of the year

##### Cash Flow Hedge Reserve

Balance as at the Beginning of the year  
Add: Share of Associates on Consolidation  
Balance as at the end of the year

##### Statutory Reserve [Refer (b) below]

Balance as at the beginning of the year  
Balance as at the end of the year

##### Surplus in the Statement of Profit and Loss

Debit Balance at the beginning of the year  
Profit/(Loss) for the year  
Add: Adjustments for Consolidation on initial adoption

Debit Balance at the end of the year

##### Total [Refer (c) below]

|                                                        | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|--------------------------------------------------------|----------------------------|----------------------------|
| Capital Reserve                                        |                            |                            |
| Balance as at the beginning of the year                | 54519                      | 54519                      |
| Balance as at the end of the year                      | <b>54,519</b>              | <b>54,519</b>              |
| Capital Redemption Reserve                             |                            |                            |
| Balance as at the beginning of the year                | 782                        | 782                        |
| Balance as at the end of the year                      | <b>782</b>                 | <b>782</b>                 |
| General Reserve [Refer (a) below]                      |                            |                            |
| Balance as at the beginning of the year                | 1484864                    | 1,484,864                  |
| Balance as at the end of the year                      | <b>1,484,864</b>           | <b>1,484,864</b>           |
| Securities Premium                                     |                            |                            |
| Balance as at the beginning of the year                | 55609                      | 55,609                     |
| Balance as at the end of the year                      | <b>55,609</b>              | <b>55,609</b>              |
| Amalgamation Reserve                                   |                            |                            |
| Balance as at the beginning of the year                | 6926                       | 6,926                      |
| Balance as at the end of the year                      | <b>6,926</b>               | <b>6,926</b>               |
| Foreign Currency Translation Reserve                   |                            |                            |
| Balance as at the beginning of the year                | 351                        | (25)                       |
| Add: Share of Associates on Consolidation              | -                          | 376                        |
| Balance as at the end of the year                      | <b>351</b>                 | <b>351</b>                 |
| Cash Flow Hedge Reserve                                |                            |                            |
| Balance as at the Beginning of the year                | 4,047                      | -                          |
| Add: Share of Associates on Consolidation              | -                          | 4,047                      |
| Balance as at the end of the year                      | <b>4,047</b>               | <b>4,047</b>               |
| Statutory Reserve [Refer (b) below]                    |                            |                            |
| Balance as at the beginning of the year                | 316,288                    | 316,288                    |
| Balance as at the end of the year                      | <b>316,288</b>             | <b>316,288</b>             |
| Surplus in the Statement of Profit and Loss            |                            |                            |
| Debit Balance at the beginning of the year             | (506,114)                  | (484,271)                  |
| Profit/(Loss) for the year                             | (139,944)                  | (82,271)                   |
| Add: Adjustments for Consolidation on initial adoption | -                          | 60,428                     |
|                                                        | (139,944)                  | (21,843)                   |
| Debit Balance at the end of the year                   | (646,058)                  | (506,114)                  |
| <b>Total [Refer (c) below]</b>                         | <b>1,277,328</b>           | <b>1,417,272</b>           |

(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

(c) Includes share of Joint Venture : ₹ 34,308 thousand (31st March, 2016 : 31,594 thousand)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 4

#### LONG-TERM BORROWINGS

|                                               | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-----------------------------------------------|----------------------------|----------------------------|
| <b>Secured :</b>                              |                            |                            |
| <b>Term Loans</b>                             |                            |                            |
| From Financial Institutions [Refer (a) below] | 2,630,401                  | 202,349                    |
| <b>Total</b>                                  | <b>2,630,401</b>           | <b>202,349</b>             |

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

### NOTE 5

#### OTHER LONG-TERM LIABILITIES

|                                                      | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------|----------------------------|----------------------------|
| Security deposits taken against rental of properties | 4,676                      | 4,676                      |
| <b>Total</b>                                         | <b>4,676</b>               | <b>4,676</b>               |

### NOTE 6

#### LONG-TERM PROVISIONS

|                                                      | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|------------------------------------------------------|----------------------------|----------------------------|
| Provision for Employee Benefits (Also refer Note 27) | 1,917                      | 3,296                      |
|                                                      | <b>1,917</b>               | <b>3,296</b>               |

### NOTE 7

#### SHORT-TERM BORROWINGS

|                                       | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|---------------------------------------|----------------------------|----------------------------|
| <b>Secured :</b>                      |                            |                            |
| Term loan from Financial Institutions | 500,000                    | 1,600,000                  |
| <b>Unsecured :</b>                    |                            |                            |
| Inter Corporate loans                 | 1,553,000                  | 1,855,000                  |
| <b>Total</b>                          | <b>2,053,000</b>           | <b>3,455,000</b>           |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 8

#### TRADE PAYABLES

##### Trade payables

(A) total outstanding dues of micro enterprises and small enterprises ( Refer Note 32) and

(B) total outstanding dues of creditors other than micro enterprises and small enterprises

(i) Acceptances

(ii) Others

##### Total

|                                                                                            | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|--------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| (A) total outstanding dues of micro enterprises and small enterprises ( Refer Note 32) and | -                          | -                          |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises |                            |                            |
| (i) Acceptances                                                                            | -                          | -                          |
| (ii) Others                                                                                | 25,467                     | 3,052                      |
| <b>Total</b>                                                                               | <b>25,467</b>              | <b>3,052</b>               |

### NOTE 9

#### OTHER CURRENT LIABILITIES

Current maturities of Long-term borrowings (Refer Note 4)

Interest accrued but not due

Advance from tenants

Advance against sale of property

Statutory dues

Security Deposits

Miscellaneous payables

##### Total

|                                                           | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-----------------------------------------------------------|----------------------------|----------------------------|
| Current maturities of Long-term borrowings (Refer Note 4) | 321,921                    | 126,645                    |
| Interest accrued but not due                              | 45,003                     | 126,240                    |
| Advance from tenants                                      | 1                          | 1                          |
| Advance against sale of property                          | 150                        | 150                        |
| Statutory dues                                            | 27,741                     | 20,608                     |
| Security Deposits                                         | 4,888                      | 4,888                      |
| Miscellaneous payables                                    | 13,766                     | 1,615                      |
| <b>Total</b>                                              | <b>413,470</b>             | <b>280,147</b>             |

### NOTE 10

#### SHORT-TERM PROVISIONS

Provision for Employee Benefits (Also refer Note 27)

##### Total

##### Other Provisions

Contingent Provision against Standard Assets ( Refer Note 35)

##### Total

|                                                               | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|---------------------------------------------------------------|----------------------------|----------------------------|
| Provision for Employee Benefits (Also refer Note 27)          | 1,415                      | 978                        |
| <b>Total</b>                                                  | <b>1,415</b>               | <b>978</b>                 |
| <b>Other Provisions</b>                                       |                            |                            |
| Contingent Provision against Standard Assets ( Refer Note 35) | 6,504                      | 5,275                      |
| <b>Total</b>                                                  | <b>7,919</b>               | <b>6,253</b>               |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 11**  
**FIXED ASSETS**

(₹ '000)

| Particulars                                 | Gross block at cost          |                                 |                                 | Depreciation                 |                 |                              | Net block     |
|---------------------------------------------|------------------------------|---------------------------------|---------------------------------|------------------------------|-----------------|------------------------------|---------------|
|                                             | As at<br>31st March,<br>2016 | Additions<br>during the<br>year | Disposals<br>during the<br>year | As at<br>31st March,<br>2016 | For the<br>year | As at<br>31st March,<br>2017 |               |
| <b>Tangible Assets</b>                      |                              |                                 |                                 |                              |                 |                              |               |
| <b>Own Assets:</b>                          |                              |                                 |                                 |                              |                 |                              |               |
| Land - Freehold                             | 8,737                        | -                               | -                               | -                            | -               | -                            | 8,737         |
| Buildings                                   | 28,994                       | -                               | -                               | 20,986                       | 221             | 21,207                       | 7,787         |
| Plant & Machinery                           | 634                          | -                               | -                               | 634                          | 10              | 610                          | 24            |
| Motor Vehicles                              | 394                          | -                               | -                               | 394                          | 8               | 362                          | 32            |
| Furniture & Fittings                        | 1,919                        | 21                              | -                               | 1,940                        | 3               | 1,798                        | 142           |
| Office Equipment                            | 1,099                        | 67                              | -                               | 1,166                        | 48              | 1,071                        | 95            |
| Electric Installation                       | 8,472                        | -                               | -                               | 8,472                        | 463             | 7,427                        | 1,045         |
| Water Supply                                | 638                          | -                               | -                               | 638                          | 31              | 501                          | 137           |
| <b>Assets given on<br/>Operating Lease:</b> |                              |                                 |                                 |                              |                 |                              |               |
| Buildings                                   | 5,129                        | -                               | -                               | 4,923                        | 134             | 5,057                        | 72            |
| <b>Total</b>                                | <b>56,016</b>                | <b>88</b>                       | <b>-</b>                        | <b>56,104</b>                | <b>918</b>      | <b>38,033</b>                | <b>18,071</b> |

| Particulars                  | Gross block at cost or valuation |                                 |                                 | Impairment                   |                 |                              | Net block |
|------------------------------|----------------------------------|---------------------------------|---------------------------------|------------------------------|-----------------|------------------------------|-----------|
|                              | As at<br>31st March,<br>2016     | Additions<br>during the<br>year | Disposals<br>during the<br>year | As at<br>31st March,<br>2016 | For the<br>year | As at<br>31st March,<br>2017 |           |
| <b>Intangible Assets</b>     |                                  |                                 |                                 |                              |                 |                              |           |
| Goodwill on<br>Consolidation | 25,296                           | -                               | -                               | 25,296                       | -               | 25,296                       | -         |
| <b>Total</b>                 | <b>25,296</b>                    | <b>-</b>                        | <b>-</b>                        | <b>25,296</b>                | <b>-</b>        | <b>25,296</b>                | <b>-</b>  |



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**NOTE 11 (Contd.)**  
**FIXED ASSETS**

(₹ '000)

| Particulars                             | Gross block at cost    |                           |                           | Depreciation           |                        |              | Net block              |
|-----------------------------------------|------------------------|---------------------------|---------------------------|------------------------|------------------------|--------------|------------------------|
|                                         | As at 31st march, 2015 | Additions during the year | Disposals during the year | As at 31st march, 2016 | As at 31st march, 2015 | For the year | As at 31st march, 2016 |
| <b>Tangible Assets</b>                  |                        |                           |                           |                        |                        |              |                        |
| <b>Own Assets:</b>                      |                        |                           |                           |                        |                        |              |                        |
| Land - Freehold                         | 9,182                  | -                         | 445                       | 8,737                  | -                      | -            | 8,737                  |
| Buildings                               | 28,994                 | -                         | -                         | 28,994                 | 20,614                 | 372          | 8,008                  |
| Plant & Machinery                       | 634                    | -                         | -                         | 634                    | 587                    | 13           | 34                     |
| Motor Vehicles                          | 394                    | -                         | -                         | 394                    | 339                    | 15           | 40                     |
| Furniture & Fittings                    | 1,919                  | -                         | -                         | 1,919                  | 1,789                  | 6            | 124                    |
| Office Equipment                        | 1,095                  | 4                         | -                         | 1,099                  | 982                    | 41           | 76                     |
| Electric Installation                   | 8,472                  | -                         | -                         | 8,472                  | 6,294                  | 670          | 1,508                  |
| Water Supply                            | 638                    | -                         | -                         | 638                    | 433                    | 37           | 168                    |
| <b>Assets given on Operating Lease:</b> |                        |                           |                           |                        |                        |              |                        |
| Buildings                               | 5,129                  | -                         | -                         | 5,129                  | 4,923                  | -            | 206                    |
| <b>Total</b>                            | <b>56,457</b>          | <b>4</b>                  | <b>445</b>                | <b>56,016</b>          | <b>35,961</b>          | <b>1,154</b> | <b>18,901</b>          |

| Particulars               | Gross block at cost or valuation |                           |                           | Impairment [refer note 36] |                        |               | Net block              |
|---------------------------|----------------------------------|---------------------------|---------------------------|----------------------------|------------------------|---------------|------------------------|
|                           | As at 31st March, 2015           | Additions during the year | Disposals during the year | As at 31st March, 2016     | As at 31st March, 2015 | For the year  | As at 31st March, 2016 |
| <b>Intangible Assets</b>  |                                  |                           |                           |                            |                        |               |                        |
| Goodwill on Consolidation | -                                | 25,296                    | -                         | 25,296                     | -                      | 25,296        | -                      |
| <b>Total</b>              | <b>-</b>                         | <b>25,296</b>             | <b>-</b>                  | <b>25,296</b>              | <b>-</b>               | <b>25,296</b> | <b>-</b>               |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 12

#### NON-CURRENT INVESTMENTS - LONG-TERM

(All shares unless otherwise stated

are ₹ 10 each fully paid-up)

Trade Investments (valued at cost unless otherwise stated)

Trade Investments (valued at cost unless otherwise stated)

#### (a) Quoted Equity Instruments

##### Investments in Associates :

Kilburn Engineering Limited

4319043 464,510

4319043 449,267

Eveready Industries India Limited (₹ 5 each fully paid-up)  
[Refer (a) below & Note 37]

17007841 1,077,000

17007841 1,094,008

McNally Bharat Engineering Company Limited  
[Net of provision for diminution in carrying amount -  
₹ 174838 thousand [Refer (b) below & Note 37]

12467437 1,246,744

- -

##### Others :

McNally Bharat Engineering Company Limited  
[Net of provision for diminution in carrying amount -  
as at 31 March, 2016 : ₹ 174838 thousand  
[Refer (b) below]

- -

9467437 946,744

McNally Sayaji Engineering Limited

36013 2,488

The Standard Batteries Limited (₹ 1 each fully paid up)

[Net of provision for diminution in carrying amount -  
₹ 16005 thousand (31 March 2016 : ₹ 16005 thousand)]

288625 -

288625 -

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

11660946 674,472

11660946 674,472

Williamson Financial Services Limited  
[Net of provision for diminution in carrying amount -  
₹ 2311 thousand (31 March 2016 : ₹ 2311 thousand)]

576250 16,798

576250 16,798

#### (b) Unquoted Equity Instruments

##### Investment in Associate

Majerhat Estates & Developers Limited [Net of provision  
for diminution in carrying amount - ₹ 1729 thousand  
(31 March 2016 : ₹ 1729 thousand)]

1470000 9,954

1470000 9,962

##### Investment in Compulsorily Convertible Preference Shares

McNally Bharat Engineering Co. Limited  
[₹ 10 each issued at a premium of ₹ 56]  
[Refer (b) & (c) below]

15151515 1,000,000

- -

##### Others :

Dewrance Macneill & Company Limited (In Liquidation)  
Kilburn Electricals Limited [Net of provision for  
diminution in carrying amount - ₹ 140 thousand  
(31 March 2016 : ₹ 140 thousand)]

1200000 -

1200000 -

14000 -

14000 -

Manor Travels Limited

- -

- -

**4,491,966**

**3,191,251**



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 12

#### NON-CURRENT INVESTMENTS - LONG-TERM

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

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

##### (a) Unquoted

##### Equity instruments

Babcock Borsig Limited

Woodside Parks Limited [Net of provision for diminution in carrying amount - ₹ 12,220 thousand]

Arvindnagar Goodwill & Co-operative Housing Society Ltd.

(₹ 50 each fully paid-up) [Net of provision for diminution in carrying amount - ₹ 250 (31st March, 2016: ₹ 250)]

[Net of provision for diminution in carrying amount - ₹ 250]

Seema Apartments Co-operative Housing Society Ltd.

[Net of provision for diminution in carrying amount - ₹ 4 thousand (31st March, 2016: ₹ 4 thousand)]

Kornafulin Association Limited

Rivers Steam Navigation Company Limited

[Net of provision for diminution in carrying amount - ₹ 1 (31st March, 2016: ₹ 1)]

Delhi Golf & Country Club Pvt.Limited (₹ 100 each fully paid-up)

(31st March, 2016: ₹ 4500 thousand)]

[Net of provision for diminution in carrying amount - ₹ 4500 thousand]

Cosepa Fiscal Industries Limited

[Net of provision for diminution in carrying amount - ₹ 3500 thousand (31st March, 2016: ₹ 3500 thousand)]

Gouripore Electric Supply Co. Limited [( ₹ 100 each fully paid up)(In Voluntary Liquidation)]

Suryachakra Sea Foods Limited

[Net of provision for diminution in carrying amount - ₹ 90 thousand (31st March, 2016: ₹ 900 thousand)]

##### Investment in Preference Shares

India General Navigation & Railway Company Limited - 6 %

Cumulative Preference Shares

(in voluntary liquidation) (₹ 2 each fully paid-up)

[Net of provision for diminution in carrying amount - ₹ 424 (31st March, 2016: ₹ 424)]

Metal Box India Limited - 6% Redeemable Cumulative

Preference Shares of ₹ 100 each [Net of provision for diminution in carrying amount - ₹ 66 thousand (31st March, 2016: ₹ 66 thousand)]

##### Investment in Debentures

Bengal Chambers of Commerce and Industry - 6 1/2 %

Non-redeemable debentures of ₹ 1000 each fully paid-up

[Net of provision for diminution in carrying amount - ₹ 24 thousand (31st March, 2016: ₹ 24 thousand)]

##### Investment in Equity Warrants

McNally Bharat Engineering Company Limited

[Equity warrants of ₹ 100 each partly paid-up]

[Refer (b) below]

##### Investment in Equity Shares

McNally Bharat Engineering Company Limited

[Under Listing Process]

##### Total Investments

##### Aggregate amount of quoted investments

##### Market Value of quoted investments

##### Aggregate amount of unquoted investments

##### Aggregate provision for diminution in carrying amounts of investments

31st March, 2017  
Nos. ₹ '000

31st March, 2016  
Nos. ₹ '000

|           |        |           |        |
|-----------|--------|-----------|--------|
| 1299593   | 20,000 | 1299593   | -      |
| 3078000   | 7,780  | 3078000   | 20,000 |
| 5         | -      | 5         | -      |
| 80        | -      | 80        | -      |
| 327       | -      | 327       | -      |
| 135810    | -      | 135810    | -      |
| 45000     | -      | 45000     | -      |
| 350000    | -      | 350000    | -      |
| 3000      | -      | 3000      | -      |
| 50000     | -      | 50000     | -      |
| 228       | -      | 228       | -      |
| 2000      | -      | 2000      | -      |
| 24        | -      | 24        | -      |
| 0         | -      | 2500000   | 62,500 |
| 0         | -      | 500000    | 50,000 |
| 27,780    |        | 132,500   |        |
| 4,519,746 |        | 3,323,751 |        |
| 3,672,678 |        | 3,374,443 |        |
| 7,325,633 |        | 7,149,649 |        |
| 1,051,085 |        | 151,597   |        |
| 191,797   |        | 202,289   |        |

- (a) 57,00,000 shares of Eveready Industries India Limited and 19,40,570 shares of Mcleod Russel India Limited have been pledged with banks and financial institutions against financial assistance taken by the Investing Company and others
- (b) McNally Bharat Engineering Company Limited has become an Associate during the year.
- (c) Each Compulsorily Convertible Preference Shares to be converted into one equity share of ₹ 10 each at a premium of ₹ 56 per equity share at any time within 18 months form date of allotment.

**NOTE 12****NON-CURRENT INVESTMENTS - LONG-TERM (Contd.)****(c) Investment in Association**

|                                                                                                                                              | <b>31st March, 2017</b> |           | <b>31st March, 2016</b> |           |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------|-------------------------|-----------|
|                                                                                                                                              | ₹ '000                  | ₹ '000    | ₹ '000                  | ₹ '000    |
| i) Kilburn Engineering Limited                                                                                                               |                         |           |                         |           |
| Share in net assets on acquisition                                                                                                           |                         | 1,446     |                         | 1,446     |
| Add: Goodwill on acquisition                                                                                                                 |                         | 105,510   |                         | 105,510   |
| Cost of investment                                                                                                                           |                         | 106,956   |                         | 106,956   |
| Add: share in profit/reserve after acquisition                                                                                               |                         |           |                         |           |
| Balance as at the beginning of the year                                                                                                      | 342,311                 |           | 318,228                 |           |
| Profit for the year                                                                                                                          | 23,881                  |           | 24,083                  |           |
| Less: Dividend Received during the year                                                                                                      | (8,638)                 | 357,554   | -                       | 342,311   |
| Carrying Value of Investment                                                                                                                 |                         | 464,510   |                         | 449,267   |
| ii) Babcock Borsig Limited                                                                                                                   |                         |           |                         |           |
| Share in net assets on acquisition                                                                                                           |                         | -         |                         | 26,277    |
| Add: Goodwill on acquisition                                                                                                                 |                         | -         |                         | 11,057    |
| Cost of acquisition                                                                                                                          |                         |           |                         | 37,334    |
| Add: share in profit/(loss)/reserve after acquisition                                                                                        |                         |           |                         |           |
| Balance as at the beginning of the year                                                                                                      | -                       |           | (1,268)                 |           |
| Loss during the year till the date it ceased to be an associate<br>(to the extent share of loss equals the carrying amount<br>of investment) | -                       |           | (36,066)                | (37,334)  |
| Net Carrying Value of Investments as on the date it ceased<br>to be an associate                                                             |                         | -         |                         | -         |
| Less: Carrying Value of Investments disposed by the<br>Investing Company                                                                     |                         | -         |                         | -         |
| Cost of Investment as at March 31, 2016                                                                                                      |                         | -         |                         | -         |
| ii) Eveready Industries India Ltd                                                                                                            |                         |           |                         |           |
| Share in net assets on acquisition                                                                                                           |                         | 1,428,285 |                         | 1,428,285 |
| Less: Capital Reserve on acquisition                                                                                                         |                         | (466,359) |                         | (466,359) |
| Cost of acquisition                                                                                                                          |                         | 961,926   |                         | 961,926   |
| Add: share in profit/reserve after acquisition                                                                                               |                         |           |                         |           |
| Balance as at the beginning of the year                                                                                                      | 132,082                 |           | 33,204                  |           |
| Share of change in Reserve during the year                                                                                                   | -                       |           | 4,423                   |           |
| Profit for the year                                                                                                                          | -                       |           | 111,463                 |           |
| Less: Dividend Received during the year                                                                                                      | (17,008)                | 115,074   | (17,008)                | 132,082   |
| Carrying Value of Investment                                                                                                                 |                         | 1,077,000 |                         | 1,094,008 |
| iii) Majerhat Estates & Developers Limited [MEDL]                                                                                            |                         |           |                         |           |
| Share in net assets on acquisition                                                                                                           |                         | 11,777    |                         | 11,777    |
| Cost of acquisition [Refer (d) below]                                                                                                        |                         | 11,777    |                         | 11,777    |
| Add: share in (loss) after acquisition                                                                                                       |                         |           |                         |           |
| Balance as at the beginning of the year                                                                                                      | (86)                    |           | (71)                    |           |
| Profit/(loss) for the year                                                                                                                   | (8)                     | (94)      | (15)                    | (86)      |
|                                                                                                                                              |                         | 11,683    |                         | 11,691    |
| Less: Provision for Diminution                                                                                                               |                         | 1729      |                         | 1,729     |
| Carrying Value of Investment                                                                                                                 |                         | 9,954     |                         | 9,962     |

- (d) MEDL, ceased to be a subsidiary during the year ended 31st March 2013 and became an Associate. Accordingly the share of net assets on acquisition represents the carrying amount of the investment that it ceased to be a subsidiary, which is regarded as cost in keeping with Accounting Standard (AS) 21, Consolidated Financial Statement.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE - 13

#### LONG-TERM LOANS AND ADVANCES

|                                             | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|---------------------------------------------|----------------------------|----------------------------|
| <b>UNSECURED</b>                            |                            |                            |
| Security Deposits                           |                            |                            |
| - Considered good                           | 4,877                      | 4,956                      |
| - Considered doubtful                       | -                          | 14                         |
|                                             | <u>4,891</u>               | <u>4,970</u>               |
| Less: Provision for Doubtful Deposits       | -                          | 14                         |
|                                             | <u>4,877</u>               | <u>4,956</u>               |
| <br>Advances recoverable in cash or in kind |                            |                            |
| - Considered good                           | -                          | 2,666                      |
| - Considered doubtful                       | 53,318                     | 50,652                     |
|                                             | <u>53,318</u>              | <u>53,318</u>              |
| Less: Provision for Doubtful Advances       | 53,318                     | 50,652                     |
|                                             | <u>-</u>                   | <u>2,666</u>               |
| <b>Total</b>                                | <b><u>4,877</u></b>        | <b><u>7,622</u></b>        |

### NOTE 14

#### OTHER NON- CURRENT ASSETS

|                            |              |              |
|----------------------------|--------------|--------------|
| Lease Equalisation Account | 7,020        | 4,526        |
|                            | <u>7,020</u> | <u>4,526</u> |

### NOTE 15

#### TRADE RECIEVABLES

##### UNSECURED

|                                                                                      |                     |                      |
|--------------------------------------------------------------------------------------|---------------------|----------------------|
| Outstanding for a period exceeding six months from the date they are due for payment |                     |                      |
| - Considered sub-standard                                                            | 502                 | 5,609                |
| - Considered doubtful                                                                | 32,712              | 31,146               |
|                                                                                      |                     |                      |
| Less: Provision for Sub-standard Debts                                               | 50                  | 561                  |
| Less: Provision for Doubtful Debts                                                   | <u>32,712</u>       | <u>31,146</u>        |
|                                                                                      | <u>452</u>          | <u>5,048</u>         |
| <b>Other Debts</b>                                                                   |                     |                      |
| - Considered good                                                                    | 6,348               | 11,683               |
| <b>Total</b>                                                                         | <b><u>6,800</u></b> | <b><u>16,731</u></b> |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 16

|                                     | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-------------------------------------|----------------------------|----------------------------|
| <b>CASH AND BANK BALANCES</b>       |                            |                            |
| <b>Cash and cash equivalents</b>    |                            |                            |
| Cash in hand                        | 139                        | 321                        |
| Current Account balances with banks | 55,432                     | 20,730                     |
|                                     | <u>55,571</u>              | <u>21,051</u>              |
| <b>Other Bank Balances</b>          |                            |                            |
| On Escrow accounts                  | 13                         | 13                         |
| <b>Total</b>                        | <u>55,584</u>              | <u>21,064</u>              |

### NOTE 17

#### SHORT-TERM LOANS AND ADVANCES

##### Unsecured (Considered good unless otherwise stated)

|                                                                                                                                                                                                                    |                  |                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Loans and advances to Associates                                                                                                                                                                                   |                  |                  |
| - Considered good                                                                                                                                                                                                  | 450              | 455              |
| - Considered doubtful                                                                                                                                                                                              | 85               | 85               |
| Less : Provision for doubtful loans and advances                                                                                                                                                                   | 85               | 85               |
|                                                                                                                                                                                                                    | <u>450</u>       | <u>455</u>       |
| Deposits with Government Authorities                                                                                                                                                                               |                  |                  |
| - Considered good                                                                                                                                                                                                  | 2,012            | 1,547            |
| - Considered doubtful                                                                                                                                                                                              | 1,890            | 1,890            |
| Less : Provision for doubtful loans and advances                                                                                                                                                                   | 1,890            | 1,890            |
|                                                                                                                                                                                                                    | <u>2,012</u>     | <u>1,547</u>     |
| Inter Corporate Loans                                                                                                                                                                                              |                  |                  |
| <b>Associates</b>                                                                                                                                                                                                  |                  |                  |
| - Considered good                                                                                                                                                                                                  | 590,000          | 400,000          |
| - Considered doubtful                                                                                                                                                                                              | 57,365           | 57,365           |
| Less : Provision for doubtful loans and advances                                                                                                                                                                   | 57,365           | 57,365           |
|                                                                                                                                                                                                                    | <u>590,000</u>   | <u>400,000</u>   |
| <b>To Others</b>                                                                                                                                                                                                   |                  |                  |
| - Considered good                                                                                                                                                                                                  | 843,100          | 1,562,500        |
|                                                                                                                                                                                                                    | <u>1,433,100</u> | <u>1,962,500</u> |
| Prepaid Expenses                                                                                                                                                                                                   | 703              | 855              |
| Advance Income Tax [Advance Tax ₹ 1,89,124 thousand (31st March 2016: ₹ 1,42,242 thousand) netted off against Provision for Income Tax to the extent of ₹ 1,17,118 thousand (31st March 2016 : 1,17,118 thousand)] | 72,006           | 25,124           |
| Advances to employees                                                                                                                                                                                              |                  |                  |
| - Considered good                                                                                                                                                                                                  | 429              | 350              |
| Advances to other parties                                                                                                                                                                                          |                  |                  |
| - Considered good                                                                                                                                                                                                  | 1,290            | 58,240           |
| - Considered doubtful                                                                                                                                                                                              | 36,492           | 36,492           |
| Less : Allowance for doubtful advances                                                                                                                                                                             | 36,492           | 36,492           |
|                                                                                                                                                                                                                    | <u>1,290</u>     | <u>58,240</u>    |
| <b>Total</b>                                                                                                                                                                                                       | <u>1,509,990</u> | <u>2,049,071</u> |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

|                                                                             | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-----------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>NOTE 18</b>                                                              |                            |                            |
| <b>OTHER CURRENT ASSETS</b>                                                 |                            |                            |
| <b>UNSECURED (CONSIDERED GOOD UNLESS OTHERWISE STATED)</b>                  |                            |                            |
| Interest receivable on deposits from Associates                             |                            |                            |
| - Considered Good                                                           | 216,158                    | -                          |
| - Considered Doubtful                                                       | 32,927                     | 40,999                     |
| Less : Provision for doubtful receivables                                   | 32,927                     | 40,999                     |
|                                                                             | <u>216,158</u>             | <u>-</u>                   |
| Interest receivable on deposits from others                                 |                            |                            |
| - Considered good                                                           | 128,077                    | 39,943                     |
| - Considered doubtful                                                       | 42,927                     | 34,855                     |
| Less : Provision for doubtful receivables                                   | 42,927                     | 34,855                     |
|                                                                             | <u>128,077</u>             | <u>39,943</u>              |
| Lease Equalisation Account - Current Portion                                | 112                        | -                          |
| Other Receivables :                                                         |                            |                            |
| - Receivable from Associates                                                | 14,782                     | -                          |
| - Receivable from Others                                                    | 42,525                     | -                          |
| <b>Total</b>                                                                | <u>401,654</u>             | <u>39,943</u>              |
| <b>NOTE 19</b>                                                              |                            |                            |
| <b>REVENUE FROM OPERATIONS</b>                                              |                            |                            |
| Dividends on Long-term Investments                                          | 23,322                     | 34,983                     |
| Interest Income                                                             | 408,323                    | 235,003                    |
| <b>Other Operating Revenue</b>                                              |                            |                            |
| Maintenance Services                                                        | 16,340                     | 16,150                     |
| Rental of Properties                                                        | 23,707                     | 24,197                     |
| Other Consultancy Services                                                  | 21,400                     | 19,400                     |
| <b>Total</b>                                                                | <u>493,092</u>             | <u>329,733</u>             |
| <b>NOTE 20</b>                                                              |                            |                            |
| <b>OTHER INCOME</b>                                                         |                            |                            |
| Interest on Security Deposits, etc.                                         | 278                        | 261                        |
| Interest on Income Tax Refund                                               | -                          | 3,820                      |
| Penal Interest Income                                                       | 16,452                     | -                          |
| Recovery of Bad Debt                                                        | 132,500                    | -                          |
| Provision for Employee Benefits written back                                | 376                        | -                          |
| Provision for sub-standard assets written back                              | 561                        | -                          |
| Provision for Diminution in the value of Long Term Investments written back | -                          | -                          |
| Profit on Sale of Long Term Investments                                     | -                          | 4,833                      |
| Liabilities no longer required written back                                 | 395                        | 1,678                      |
| <b>Total</b>                                                                | <u>150,562</u>             | <u>10,592</u>              |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

|                                                                         | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|-------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>NOTE 21</b>                                                          |                            |                            |
| <b>EMPLOYEES BENEFITS EXPENSE</b>                                       |                            |                            |
| Salaries, Wages and Bonus                                               | 3,990                      | 3,390                      |
| Contribution to Provident & other funds                                 | 426                        | 375                        |
| Pension and Gratuity                                                    | 141                        | 555                        |
| Workmen and Staff welfare expenses                                      | 546                        | 519                        |
| <b>Total</b>                                                            | <b>5,103</b>               | <b>4,839</b>               |
| <b>NOTE 22</b>                                                          |                            |                            |
| <b>FINANCE COSTS</b>                                                    |                            |                            |
| Interest Expense                                                        | 651,331                    | 418,206                    |
| Other Borrowing Costs                                                   | 51,804                     | 22,135                     |
| <b>Total</b>                                                            | <b>703,135</b>             | <b>440,341</b>             |
| <b>NOTE 23</b>                                                          |                            |                            |
| <b>DEPRECIATION EXPENSE</b>                                             |                            |                            |
| Depreciation on Tangible Assets                                         | 918                        | 1,154                      |
| <b>Total</b>                                                            | <b>918</b>                 | <b>1,154</b>               |
| <b>NOTE 24</b>                                                          |                            |                            |
| <b>OTHER EXPENSES</b>                                                   |                            |                            |
| Power and fuel                                                          | 1,517                      | 2,600                      |
| Rent                                                                    | 1,003                      | 1,286                      |
| Repairs to building                                                     | 11,031                     | 3,243                      |
| Repairs to machinery                                                    | 1,450                      | 2,812                      |
| General Repairs & Maintenance                                           | 10,004                     | 9,816                      |
| Insurance                                                               | 1,002                      | 915                        |
| Rates and Taxes                                                         | 5,293                      | 4,514                      |
| Legal and Profesional charges                                           | 27,657                     | 13,824                     |
| Establishment and General Expenses                                      | 14,994                     | 8,017                      |
| Travelling and conveyance                                               | 6,633                      | 6,059                      |
| Provision for Sub Standard Assets                                       | 50                         | 561                        |
| Provision for Doubtful Trade Receivables                                | 1,566                      | -                          |
| Provision for Doubtful Advances                                         | 2,666                      | 2,666                      |
| Provision for Diminution in carrying amount<br>of long-term investments | 12,220                     | 1,729                      |
| Advances written off                                                    | -                          | 3,631                      |
| Assets written off                                                      | -                          | 445                        |
| Contingent Provision for Standard Assets                                | 1,229                      | 3,282                      |
| <b>Total</b>                                                            | <b>98,315</b>              | <b>65,400</b>              |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 25A

#### CONTINGENT LIABILITIES

|                                                                                  | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|----------------------------------------------------------------------------------|----------------------------|----------------------------|
| a) Claims against the Investing Company not acknowledged as debts:               |                            |                            |
| Excise matters under dispute ( Note i )                                          | 711                        | 711                        |
| Service Tax Matters under dispute ( Note ii )                                    | 26,583                     | 26,583                     |
| Others                                                                           | 10,544                     | 93                         |
| b) Guarantees given for loans granted to companies within the group              | 6,350                      | 6,350                      |
| c) Corporate Guarantees given, in respect of loans borrowed by others (Note iii) |                            |                            |
| Guarantee Amount                                                                 | 9,250,000                  | 5,100,000                  |
| Balance outstanding                                                              | 9,250,000                  | 5,100,000                  |

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

Notes :

- ( i ) Representing claim in respect of Interest on Excise Duty pending before the Hon'ble High Court at Chennai.
- ( ii ) 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.
- (iii) The details of corporate guarantees given to various banks are given below:

| Given on behalf of                            | Amount (₹ '000)                |                  |                  |
|-----------------------------------------------|--------------------------------|------------------|------------------|
|                                               | Given to                       | 31st March, 2017 | 31st March, 2016 |
| 1. McNally Bharat Engineering Company Limited | Yes Bank                       | 5,150,000        | 800,000          |
| 2. McNally Bharat Engineering Company Limited | RBL Bank                       | 1,300,000        | 1,500,000        |
| 3. Woodside Parks Limited                     | Axis Trustees Services Limited | 800,000          | 800,000          |
| 4. Seajuli Developers & Finance Limited       | IndusInd Bank                  | 2,000,000        | 2,000,000        |

### NOTE 25B

The Company has given an undertaking to ICICI Bank Limited (the Bank) not to transfer, assign, dispose of, pledge, charge or create any lien or in any way dispose of existing to the extent of 13,04,748 shares (31st March 2016: 13,04,748 shares) or future shareholdings in McNally Bharat Engineering Company Limited without prior approval of the said Bank.

### NOTE 26

#### OPERATING LEASE

The Investing 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 Note 19.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 27

#### EMPLOYEE BENEFITS

##### I. Defined Contribution Plans

Total contribution to Defined Contribution Plans amount to ₹ 394 thousand ( Previous Year : ₹ 329 thousand) included in Contribution to Provident and other Funds ( Refer Note 21)

##### II. Defined Benefit Schemes

###### (a) Pension (Unfunded)

The Investing 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-imbursement (Unfunded)

The Investing Company has a scheme of re-imbursement 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 (Unfunded)

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 ₹ 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 Statement of Profit and Loss.

The following table set forth the particulars as per actuarial valuation in respect of Defined Benefit Schemes of the Investing Company :

| Changes in present value of defined benefit obligations | Pension<br>(₹ '000) |                    | Medical Insurance<br>(₹ '000) |                    | Gratuity<br>(₹ '000) |                    | Leave Encashment<br>(₹ '000) |                    |
|---------------------------------------------------------|---------------------|--------------------|-------------------------------|--------------------|----------------------|--------------------|------------------------------|--------------------|
|                                                         | 31st March<br>2017  | 31st March<br>2016 | 31st March<br>2017            | 31st March<br>2016 | 31st March<br>2017   | 31st March<br>2016 | 31st March<br>2017           | 31st March<br>2016 |
| Opening Present Value of obligation                     | 1,386               | 1,482              | 2,042                         | 2,163              | 329                  | 237                | 517                          | 413                |
| Interest Cost                                           | 87                  | 99                 | 153                           | 173                | 25                   | 19                 | 39                           | 33                 |
| Current Service Cost                                    | -                   | -                  | -                             | -                  | 68                   | 60                 | 81                           | 71                 |
| Benefits Paid                                           | (444)               | (496)              | (217)                         | (226)              | -                    | -                  | -                            | -                  |
| Actuarial loss/ (gain) on obligations                   | (339)               | 301                | (256)                         | (68)               | 2                    | 13                 | (141)                        | -                  |
| Closing Present Value of obligation                     | 690                 | 1,386              | 1,722                         | 2,042              | 424                  | 329                | 496                          | 517                |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

| Expense Recognized in Profit and Loss Account              | Pension<br>(Note @)<br>(₹ '000) |         | Medical Insurance<br>(Note #)<br>(₹ '000) |         | Gratuity<br>(Note @)<br>(₹ '000) |         | Leave Encashment<br>(Note *)<br>(₹ '000) |         |
|------------------------------------------------------------|---------------------------------|---------|-------------------------------------------|---------|----------------------------------|---------|------------------------------------------|---------|
|                                                            | 2016-17                         | 2015-16 | 2016-17                                   | 2015-16 | 2016-17                          | 2015-16 | 2016-17                                  | 2015-16 |
| Current Service Cost                                       | -                               | -       | -                                         | -       | 68                               | 60      | 81                                       | 71      |
| Interest Cost                                              | 87                              | 99      | 153                                       | 173     | 25                               | 19      | 39                                       | 33      |
| Actuarial loss/ (gain) recognized in the year              | (339)                           | 301     | (256)                                     | (68)    | 2                                | 13      | (141)                                    | -       |
| Expense /(gain) Recognized in Statement of Profit and Loss | (252)                           | 400     | (103)                                     | 105     | 95                               | 92      | (21)                                     | 104     |

| Principal Actuarial Assumptions | Pension<br>(₹ '000) |         | Medical Insurance<br>(₹ '000) |         | Gratuity<br>(₹ '000) |         | Leave Encashment<br>(₹ '000) |         |
|---------------------------------|---------------------|---------|-------------------------------|---------|----------------------|---------|------------------------------|---------|
|                                 | 2016-17             | 2015-16 | 2016-17                       | 2015-16 | 2016-17              | 2015-16 | 2016-17                      | 2015-16 |
| Discount Rate                   | 7.5                 | 8       | 7.5                           | 8       | 7.5                  | 8       | 7.5                          | 8       |
| Inflation Rate                  | NA                  |         | NA                            |         | 5                    | 5       | 5                            | 5       |
| Return of Asset                 | NA                  |         | NA                            |         | -                    | -       | -                            | -       |

Notes :

@ Charge for the year included in Pension and Gratuity (Note 21)

# Charge for the year included in Workmen and Staff Welfare (Note 21)

\* Charge for the year included in Salaries, Wages, Compensation and Bonus (Note 21)

| Amount recognised in Balance Sheet                              | Pension  |          | Medical Insurance |          | Gratuity |          | Leave Encashment |          |
|-----------------------------------------------------------------|----------|----------|-------------------|----------|----------|----------|------------------|----------|
|                                                                 | (₹ '000) | (₹ '000) | (₹ '000)          | (₹ '000) | (₹ '000) | (₹ '000) | (₹ '000)         | (₹ '000) |
|                                                                 | 2016-17  | 2015-16  | 2016-17           | 2015-16  | 2016-17  | 2015-16  | 2016-17          | 2015-16  |
| Present Value of obligation                                     | 690      | 1,386    | 1,722             | 2,042    | 424      | 329      | 496              | 517      |
| Fair value of Plan Asset                                        | -        | -        | -                 | -        | -        | -        | -                | -        |
| Net Asset/ (Liability) recognized in Consolidated Balance Sheet | (690)    | (1,386)  | (1,722)           | (2,042)  | (424)    | (329)    | (496)            | (517)    |

|                        | Pension  |          | Medical Insurance |          | Gratuity |          | Leave Encashment |          |
|------------------------|----------|----------|-------------------|----------|----------|----------|------------------|----------|
|                        | (₹ '000) | (₹ '000) | (₹ '000)          | (₹ '000) | (₹ '000) | (₹ '000) | (₹ '000)         | (₹ '000) |
|                        | 2016-17  | 2015-16  | 2016-17           | 2015-16  | 2016-17  | 2015-16  | 2016-17          | 2015-16  |
| Experience Adjustments | 150      | 157      | (58)              | (64)     | 17       | 43       | 10               | 53       |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 28

#### Related Party Disclosures : In accordance with Accounting Standard (AS)-18

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

##### a) Associate Companies :

- 1) Majerhat Estates & Developers Limited (MEDL)
- 2) Kilburn Engineering Limited (KEL)
- 3) Eveready Industries India Limited (EIL)
- 4) McNally Bharat Engineering Co. Limited (MBECL)

##### b) Joint Venture Company :

- 1) D1 Williamson Magor Bio Fuel Limited (D1WM)

##### c) Key Management Personnel :

Mr. Tuladri Mallick (Manager)

##### (b) Transactions / Balances

(₹ '000)

| Particulars                                | Year    | Associates |           |      |       |        | Key Management Personnel |
|--------------------------------------------|---------|------------|-----------|------|-------|--------|--------------------------|
| Transactions :                             |         | BBL        | MBECL     | MEDL | KEL   | EIL    | Manager                  |
| Interest Income                            | 2016-17 | -          | 150,360   | -    | -     | -      | -                        |
|                                            | 2015-16 | 9,084      | -         | -    | -     | -      | -                        |
| Dividend Income                            | 2016-17 | -          | -         | -    | 8,638 | 17,008 | -                        |
|                                            | 2015-16 | -          | -         | -    | -     | 17,008 | -                        |
| Rental Income                              | 2016-17 | -          | 300       | -    | 1,008 | 300    | -                        |
|                                            | 2015-16 | -          | -         | -    | 1,008 | -      | -                        |
| Maintenance Services                       | 2016-17 | -          | -         | -    | 672   | -      | -                        |
|                                            | 2015-16 | -          | -         | -    | 392   | -      | -                        |
| Other Consultancy Services                 | 2016-17 | -          | -         | -    | 2,400 | 18,000 | -                        |
|                                            | 2015-16 | -          | -         | -    | 1,400 | 18,000 | -                        |
| Provision for debts/ advances written back | 2016-17 | -          | -         | -    | -     | -      | -                        |
|                                            | 2015-16 | -          | -         | -    | -     | -      | -                        |
| Recovery of Expenses                       | 2016-17 | -          | -         | -    | -     | 137    | -                        |
|                                            | 2015-16 | -          | -         | -    | -     | 123    | -                        |
| Remuneration                               | 2016-17 | -          | -         | -    | -     | -      | 999                      |
|                                            | 2015-16 | -          | -         | -    | -     | -      | 908                      |
| Inter -Corporate Loan Given                | 2016-17 | -          | 2,498,100 | -    | -     | -      | -                        |
|                                            | 2015-16 | -          | -         | -    | -     | -      | -                        |
| Inter-Corporate Loan Repaid                | 2016-17 | -          | 1,908,100 | -    | -     | -      | -                        |
|                                            | 2015-16 | 735,000    | -         | -    | -     | -      | -                        |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

| Particulars                                         | Year             | Associates |           |        |         |         | Key Management Personnel |
|-----------------------------------------------------|------------------|------------|-----------|--------|---------|---------|--------------------------|
|                                                     |                  | BBL        | MBECL     | MEDL   | KEL     | EIIL    | Manager                  |
| <b>Transactions :</b>                               |                  |            |           |        |         |         |                          |
| <b>Balance as at year end :</b>                     |                  |            |           |        |         |         |                          |
| Investments                                         | 31st March, 2017 | -          | 2,421,582 | 14,702 | 106,956 | 961,925 | -                        |
|                                                     | 31st March, 2016 | -          | -         | 14,702 | 106,956 | 961,925 | -                        |
| Provision for Diminution in the value of Investment | 31st March, 2017 | -          | 174,838   | 4,740  | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | -         | 4,740  | -       | -       | -                        |
| Inter Corporate Loan given                          | 31st March, 2017 | -          | 590,000   | 57,365 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | -         | 57,365 | -       | -       | -                        |
| Interest on Inter Corporate Loan given              | 31st March, 2017 | -          | 216,158   | 32,927 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | -         | 32,927 | -       | -       | -                        |
| Trade Receivables                                   | 31st March, 2017 | -          | -         | -      | 367     | 3,450   | -                        |
|                                                     | 31st March, 2016 | -          | -         | -      | 2,386   | 3,435   | -                        |
| Other Receivable                                    | 31st March, 2017 | -          | 14,782    | -      | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | -         | -      | -       | -       | -                        |
| Loans and Advances                                  | 31st March, 2017 | -          | -         | 85     | 438     | 12      | -                        |
|                                                     | 31st March, 2016 | -          | -         | 85     | 438     | 16      | -                        |
| Provision for Doubtful Advances                     | 31st March, 2017 | -          | -         | 57,450 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | -         | 57,450 | -       | -       | -                        |
| Provision for Other Current Assets                  | 31st March, 2017 | -          | -         | 32,927 | -       | -       | -                        |
|                                                     | 31st March, 2016 | -          | -         | 32,927 | -       | -       | -                        |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 29

#### Disclosure as per Accounting Standard(AS)-27 “Financial Reporting of Interests in Joint Venture”

|                                                        |                                        |
|--------------------------------------------------------|----------------------------------------|
| Name of Joint Venture                                  | - D1 Williamson Magor Bio Fuel Limited |
| Proportion Ownership Interest of the Investing Company | - 15.70%                               |
| Country of Incorporation                               | - India                                |

Investing Company's Financial interest in Joint Venture:

| Particulars                               | Company's Financial |       | Proportionate interest in Joint Venture |                                     |
|-------------------------------------------|---------------------|-------|-----------------------------------------|-------------------------------------|
|                                           |                     |       | 31st March, 2017<br>Amount (₹ '000)     | 31st March, 2016<br>Amount (₹ '000) |
| <b>Assets:</b>                            |                     |       |                                         |                                     |
| <b>Non-Current</b>                        |                     |       |                                         |                                     |
| Property, Plant and Equipment (Net Block) |                     |       | 39                                      | 52                                  |
| Other Financial Assets                    |                     |       | 21                                      | 2,687                               |
| <b>Current</b>                            |                     |       |                                         |                                     |
| Cash & Bank Balances                      |                     | 356   |                                         | 398                                 |
| Short-term loans and advances             |                     | 22    | 378                                     | 22                                  |
|                                           |                     |       |                                         | 420                                 |
| <b>Liabilities</b>                        |                     |       |                                         |                                     |
| <b>Current</b>                            |                     |       |                                         |                                     |
| Other Current Liabilities                 |                     |       | 43                                      | 49                                  |
| Income                                    |                     |       |                                         |                                     |
| Other Income                              |                     |       | -                                       | 1,487                               |
| <b>Expenditure</b>                        |                     |       |                                         |                                     |
| Expenses                                  |                     | 2,702 |                                         | 2,708                               |
| Depreciation                              |                     | 12    | 2,714                                   | 22                                  |
|                                           |                     |       |                                         | 2,730                               |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 30

#### Earnings per share (EPS)

Net Profit/(Loss) 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, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|---------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>A. BASIC</b>                                                           |                            |                            |
| 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 during the year | 10,956,360                 | 10,956,360                 |
| iv) Face Value of each Equity Share                                       | 10                         | 10                         |
| v) Profit / (Loss) after Tax for Equity Shareholders                      | (147,724)                  | (82,271)                   |
| vi) Basic Earnings / (Loss) Per share ( v / iii ) (₹)                     | (12.77)                    | (7.51)                     |
| <b>B. DILUTED</b>                                                         |                            |                            |
| i) Number of Dilutive potential Equity Shares                             | -                          | -                          |
| ii) Diluted Earnings / (Loss) per Share (₹) [Same as A (vi) above]        | (12.77)                    | (7.51)                     |

### NOTE 31

#### Deferred Taxation

##### Deferred tax Liabilities

Depreciation

##### Deferred tax Assets

Unabsorbed Business Losses

Unabsorbed Depreciation

Unabsorbed Capital Losses

##### Recognised to the extent of liability

##### Total Deferred Tax Asset

|  | 31st March, 2017<br>₹ '000 | 31st March, 2016<br>₹ '000 |
|--|----------------------------|----------------------------|
|  | 2,240                      | 2,296                      |
|  | 251,374                    | 76,661                     |
|  | 5,139                      | 3,019                      |
|  | 38,049                     | 38,049                     |
|  | <b>294,562</b>             | <b>117,729</b>             |
|  | <b>2,240</b>               | <b>2,296</b>               |
|  | -                          | -                          |

The Investing 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 32

There are no parties registered under the Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Investing Company.

### NOTE 33

#### Segment Reporting

The Investing Company is registered as a Non-Banking Financial Company and is primarily engaged in holding shares in its group companies. The Investing Company has a single reportable segment as envisaged in Accounting Standard (AS)-17 on "Segment Reporting".

### NOTE 34

Statement providing additional information, as required under Schedule III to the Companies Act, 2013, of enterprises considered for preparation of the Consolidated Financial Statements .

| Name of the Entity<br>[Refer Note ( a )<br>below]          | Net Assets                    |                               | As a % of Consolidated Net Assets |                          | Net Profit/(Loss) |                   | As a % of Consolidated Profit /(Loss) |                |
|------------------------------------------------------------|-------------------------------|-------------------------------|-----------------------------------|--------------------------|-------------------|-------------------|---------------------------------------|----------------|
|                                                            | 31st March,<br>2017<br>₹ '000 | 31st March,<br>2016<br>₹ '000 | 31st March,<br>2017<br>%          | 31st March,<br>2016<br>% | 2016-17<br>₹ '000 | 2015-16<br>₹ '000 | 2016-17<br>%                          | 2015-16<br>%   |
| <b>Investing Company</b>                                   |                               |                               |                                   |                          |                   |                   |                                       |                |
| Williamson Magor & Co. Limited                             | (164,966)                     | (29,510)                      | -12.53%                           | -1.92%                   | (161,103)         | (180,493)         | 114.32%                               | 198.72%        |
| <b>Associates</b>                                          |                               |                               |                                   |                          |                   |                   |                                       |                |
| Kilburn Engineering Limited                                | 464,510                       | 449,267                       | 33.68%                            | 29.42%                   | 23,881            | 24,083            | -16.17%                               | -29.27%        |
| Babcock Borsig Limited                                     | -                             | -                             |                                   | 0.00%                    |                   | (36,066)          | 0.00%                                 | 43.83%         |
| Eveready Industries India Ltd [Refer Note C below]         | 1,077,000                     | 1,094,008                     | 78.09%                            | 71.65%                   |                   | 111,463           | 0.00%                                 | -114.81%       |
| Majerhat Estates & Developers Limited                      | 9,954                         | 9,962                         | 0.72%                             | 0.65%                    | (8)               | (15)              | 0.01%                                 | 0.02%          |
| <b>Joint Ventures (as per proportionate consolidation)</b> |                               |                               |                                   |                          |                   |                   |                                       |                |
| D1 Williamson Magor Bio Fuel Limited                       | 394                           | 3,110                         | 0.03%                             | 0.20%                    | (2,714)           | (1,243)           | 1.84%                                 | 1.51%          |
|                                                            | <b>1,386,892</b>              | <b>1,526,836</b>              | <b>100.00%</b>                    | <b>100.00%</b>           | <b>(139,944)</b>  | <b>(82,271)</b>   | <b>100.00%</b>                        | <b>100.00%</b> |

- (a) All entities specified above have been incorporated in India.
- (b) The Net Asset position / Net Profit of the Companies considered above is after considering elimination if any, for determining the Net Loss for the year in the Consolidated Statement of Profit and Loss.
- (c) Eveready Industries India Limited has been accounted for under Equity Method upto 31st March, 2016. The same has not been consolidated during the current financial year due to non-availability of Financial Statements/ Financial Informations as per (IGAAP). The amount appearing as on 31st March , 2017 is the carrying amount upto 31st March, 2016 less dividend received during the financial year 2016-17 [Refer Note 37].



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTE 35

Based on Notification no. DNBS.223/CGM(US)-2011 dated 17th January, 2011, provision has been made for standard assets at 0.35 percent of the balance of such assets as at 31st March, 2017 which has been disclosed separately as 'Contingent Provision against Standard Assets' in Note 10.

### NOTE 36

Disclosure relating to Specified Bank Notes\* (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016:

| Particulars                                  | SBNs<br>₹ '000 | Other Denomination<br>Notes<br>₹ '000 | Total<br>₹ '000 |
|----------------------------------------------|----------------|---------------------------------------|-----------------|
| Closing cash in hand as at November 8, 2016  | 196            | 246                                   | 442             |
| (+) Permitted receipts                       | -              | 20                                    | 20              |
| (-) Permitted payments                       | -              | 19                                    | 19              |
| (-) Amount deposited in banks                | 196            | 27                                    | 223             |
| Closing cash in hand as at December 30, 2016 | -              | 220                                   | 220             |

\* SBNs mean the bank notes of denominations of the existing series of the value of five hundred rupees and one thousand rupees as defined under the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O.3407(E), dated November 8, 2016.

### NOTE 37

The Company has four Associates and One Joint Venture as at 31st March, 2017 and accordingly, it is required to prepare consolidated financial statements to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act 2013 read with the [Companies (Accounting Standards) Rules, 2014 (as amended) [IGAAP]. The Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) [Ind AS] are not applicable to the Company during the year ended 31st March, 2017. However, two of the Company's significant Associates namely Eveready Industries India Limited (EIIL) and McNally Bharat Engineering Co. Limited (MBECL) have prepared its financial statements in accordance with Indian Accounting Standards (Ind AS). MBECL has become an associate with effect from 8th September, 2016. As per the requirements of Accounting Standard 23 (AS-23) - "Accounting for Investment in Associates in Consolidated Financial Statements", the Company's Associate EIIL has been accounted for under Equity Method up to 31st March, 2016. Upon request made by the Company to provide it with IGAAP compliant financial statements / financial information to enable it to comply with the requirements of AS 23, both the above associates have expressed their inability to provide IGAAP compliant financial statements / financial information due to practical difficulties / change in their entire accounting system as a result of the adoption of Ind AS Framework.

Due to non-availability of required information as mentioned above, the Company could not apply Equity Method of Accounting to comply with requirements of AS 23 in respect of its non-current investments in Equity instruments of EIIL and MBECL aggregating ₹ 23,237 lakhs as at 31st March, 2017. Further, due to the same reasons as mentioned above, the Company also could not ascertain the Goodwill/ Capital Reserve in respect of MBECL, an associate, acquired during the year to comply with requirements of AS 23 as aforesaid. The impact of the aforesaid significant matters on the Consolidated Financial Statements are not ascertainable at this stage.

**NOTE 38**

Pursuant to the requirements of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007, the Investing Company had made an application to the Reserve Bank of India (RBI) seeking extension for regularization of the requirements relating to concentration of investments and exposure norms in a phased manner.

In the meantime RBI 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 Systematically Important Core Investment Company. The Investing Company had filed an application with RBI for the conversion of its status from Systematically Important Non Deposit Taking Non Banking Financial Company to Systematically Important Non Deposit Taking Core Investment Company as a result of which the Investment Company would not be required to dilute its exposure in terms of Investments and loans as mentioned above.

In response to the Investing Company's aforesaid application, RBI had advised the Investing Company in February 2013 to resubmit the application afresh just after attaining the stipulated criteria for a CIC-NDSI but not later than 31st March, 2015 and the Investing Company submitted the application afresh based on audited accounts of Financial Year 2013-14 within the stipulated time as provided by the RBI. However RBI has returned the said application advising the Investing Company to refurnish the application afresh based on latest Financials after meeting all the criterion of being a CIC- NDSI. The Investing Company has already filed the application in the financial year 2015-16 with RBI and the matter is under consideration of RBI.

**NOTE 39**

The following Note has been reproduced from the stand-alone financial statements of an Associate, Kilburn Engineering Limited (referred to as "the Company" therein):

The Company holds investment in equity shares of McNally Bharat Engineering Company Limited (Book Value ₹ 1993.44 Lakhs) as strategic investment on a long term basis. The Company is of the view that the diminution in value in these investments is temporary. Notwithstanding this, out of abundant caution, a total provision of ₹ 1000 Lakhs (Previous Year ₹ 800 Lakhs) including ₹ 200 Lakhs (Previous Year ₹ 200 Lakhs) during the year is made in the books.

**NOTE 40**

The previous year figures have been regrouped and reclassified wherever necessary.

**For Lovelock & Lewes**

Firm Registration No. 301056E

*Chartered Accountants*

**(Pradip Law)**

*Partner*

Membership No. 51790

Place : Kolkata

Date : 8th August 2017

A. Khaitan

(Vice Chairman)

R. S. Jhavar

(Director)

Tuladri Mallick

(Manager & CFO)

H. U. Sanghavi

(Company Secretary)

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