



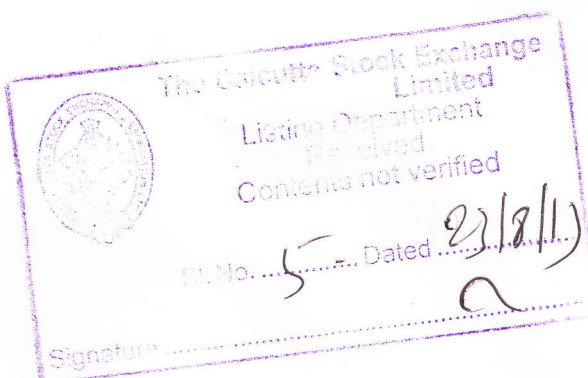
# WILLIAMSON FINANCIAL SERVICES LIMITED

FOUR MANGOE LANE, SURENDRA MOHAN GHOSH SARANI, KOLKATA - 700 001  
TELEPHONE : 033-2243-5391 / 5393, 033-2210-1221, 033-2248-9434 / 9435  
FAX : 91-33-2248-3683, 2248-8114, 2248-6824

23<sup>rd</sup> August, 2013

The Secretary,  
The Gauhati Stock Exchange Limited,  
2<sup>nd</sup> Floor, Shine Towers,  
Sati Jaymati Road,  
Arya Chowk,  
Rehabari,  
Guawahati – 781 008

The Secretary,  
✓ The Calcutta Stock Exchange  
Association Limited,  
7, Lyons Range,  
Kolkata – 700 001



The Secretary,  
Bombay Stock Exchange Limited,  
Floor 25,  
P J Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir,

## **Annual Reports 2012-13**

We forward herewith six copies of the Annual Reports of the Company for the Financial Year 2012-13 together with copies of the AGM Notice .

Yours faithfully,  
Williamson Financial Services Limited

P. BANDYOPADHYAY  
COMPANY SECRETARY

# WILLIAMSON FINANCIAL SERVICES LIMITED

## ANNUAL REPORT 2012 - 2013

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WILLIAMSON FINANCIAL SERVICES LIMITED



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## **WILLIAMSON FINANCIAL SERVICES LIMITED**

### **BOARD OF DIRECTORS**

A. KHAITAN *Chairman*  
D. KHAITAN  
T. R. SWAMINATHAN  
R. S. JHAWAR  
K. K. BAHETI  
C. K. PASARI  
J. HAZARIKA  
G. SARAF

### **AUDIT COMMITTEE OF THE BOARD**

T. R. SWAMINATHAN *Chairman*  
R. S. JHAWAR  
C. K. PASARI  
J. HAZARIKA

### **SHAREHOLDERS' GRIEVANCE COMMITTEE**

R. S. JHAWAR *Chairman*  
T. R. SWAMINATHAN  
K. K. BAHETI

### **MANAGER**

S. R. MUNDHRA

### **COMPANY SECRETARY**

P. BANDYOPADHYAY

### **AUDITORS**

V. SINGHI & ASSOCIATES *Chartered Accountants*

### **BANKERS**

HDFC BANK LTD.  
STANDARD CHARTERED BANK

### **REGISTERED OFFICE**

UDAYAN, HOUSE NO.147, 2ND FLOOR,  
GANESHGURI, R. G. BARUAH ROAD,  
GUWAHATI - 781 005

### **KOLKATA OFFICE**

FOUR MANGOE LANE  
SURENDRA MOHAN GHOSH SARANI  
KOLKATA - 700 001



**Report of the Board of Directors  
For the Financial Year ended 31st March, 2013**

Your Directors have pleasure in presenting the Annual Report with the audited Accounts of your Company for the Financial Year ended 31st March, 2013.

**ACCOUNTS**

The results of the Financial Year ended 31st March, 2013 are summarised below :

	<b>Financial Year 2012-13 (Rs.in Lakhs)</b>	<b>Financial Year 2011-12 (Rs.in Lakhs)</b>
Total Revenue	487	510
Total Expenses	1466	5114
Profit/(Loss) for the Year	(979)	(4,604)

In view of the loss on operations no dividend is recommended for the Financial Year 2012-13.

**OPERATIONS**

During the year under review the Company recorded a net loss of Rs.9.79 crore as compared to net loss of Rs.46.04 crore incurred in the previous year. The substantial reduction of loss is attributable to diminution in value of non-current investments of Rs.5.29 crore as against Rs.42.61 crore made during the previous financial year in terms of the applicable Accounting Standards. The finance cost however was higher at Rs.8.79 crore as compared to Rs.7.86 crore incurred in the earlier year.

A major part of the investments of the Company are held in the Group Companies for strategic reasons on a long term basis. As such, temporary fluctuations in the value of investments in the stock market are not likely to affect the performance of the Company. However, the Company had to make provisions for diminution in value of investments following the applicable Accounting Standards. There may be reversal of the provisions when the stock market becomes steady and/or the market value of the investments held by the Company goes up.

**DIRECTORS**

Mr. R. S. Jhawar, Mr. K. K. Baheti and Mr. J. Hazarika retire by rotation and being eligible offer themselves for reappointment.

**CORPORATE GOVERNANCE**

A separate report on Corporate Governance along with the Auditors' Certificate on its compliance is attached.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956 your Directors confirm and state that:-

- In the preparation of the Accounts the applicable Accounting Standards had been followed along with along with proper explanation relating to material departures, if any.



- The Directors had selected such accounting policies, 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 as at the end of the Financial Year and the Profit & Loss Account of the Company for that period.
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors had prepared the Annual Accounts on a going concern basis.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE & DEVELOPMENT

Economic activity in India continued to be moderate during the Year 2012-13. Slow down was evident in many sectors. India's gross domestic product (GDP) grew by 5% during the first nine months as compared to a growth of 6.6% in the corresponding period of the earlier Year. The growth of the services Sector was 6.7% during the first nine months of fiscal 2013 as compared to 8.5% during the same period in the earlier Year. In terms of the estimate of the Central Statistics Organization, GDP is likely to grow during the year 2012-13 at 5% compared to 6.2% in the previous Year. Liquidity in the system also continued to remain in deficit during the Year under review. In view of inflation ruling high Reserve Bank of India had limited scope to cut policy rates making way for reduced rate of interest which was badly needed by the Industries. Even in such a situation, RBI during the year reduced repo rate twice by 25 basis points and by another 25 basis points after the Year ended. However, the benefit of such reduction was not passed on to the borrowers by the commercial Banks. In a situation like this the companies operating in the financial and investment sector had a difficult time during the Year under review. With not so comfortable liquidity coupled with high rate of interest the corporates engaged in this sector found it difficult to sustain growth and profitability.

### 2. OPPORTUNITIES & THREATS, RISKS & CONCERNS AND BUSINESS OUTLOOK

**Opportunities :** The Company's main purpose is to hold stakes in the Group Companies for strategic control. It is not engaged in trading of shares or investments as market trading is not part of its normal course of business. As a result, the business conditions and prospects of the Group Companies influence the same of the Company itself. Further, the investee Group Companies are in diverse business activities, e.g., tea, battery, infrastructure, engineering, etc. Therefore, the Company has the opportunity to be benefitted as a stake holder in different areas of business.

**Threats, Risks & Concern :** The stock market volatility has a bearing on the Company's financials in the sense that it has to book provision for diminution in the market value of its investments according to the applicable Accounting Standards.

The market rates of interest have a dual effect on the Company. High rate of interest makes borrowing dearer. At the same time lending, e.g. placement of Inter Corporate Deposit, generates more income.

The governance exercised by the Reserve Bank of India ('RBI') through Regulations meant for the NBFCs and RBI's Monetary Policy announcing fiscal measures to monitor the monetary supply to the economy are factors that influence the Company's operation beyond its control.

However, as the Company's investments are primarily within its group on long term basis, the current general trend in the investment market do not call for its immediate concern, though it has to remain vigilant of the situation.



**Business Outlook :** The performances of the investee companies, which are within the Group, appear satisfactory and the Company's prospect, as one of their investors, commensurate therewith. The Company does not foresee any imminent threat to the business of the Group Companies, barring unforeseen circumstances.

### **3. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Internal Control System ('the system') of the company is adequate, given the nature, characteristics and volume of its operations.

The Audit Committee regularly reviews the internal audit system with reference to the Internal Audit Report. The Asset Liability Management Committee newly constituted in accordance with the RBI Guidelines on Corporate Governance, the Risk Management Committee, the KYC Norms and Code of Conduct for Directors and Senior Management Personnel are substantive measure to ascertain and monitor the required internal control of the Company's affairs.

### **4. HUMAN RESOURCES**

There is no material development in the Human Resource front. The Company presently has two employees.

### **5. COMPLIANCE (PARTICULARS OF EMPLOYEES ) RULES, 1975**

Particulars of employees in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies ( Particulars of Employees ) Rules, 1975 as amended to date do not apply as there is no such employee qualifying for such disclosure.

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

- |  |        |
|--|--------|
| A. Conservation of energy              | : N.A. |
| B. Technology absorption               | : N.A. |
| C. Foreign Exchange earnings and outgo | : Nil  |

### **AUDITORS :**

Messrs. V. Singhi & Associates will hold office up to the conclusion of the forthcoming Annual General Meeting of the Company and being eligible signified their willingness to be reappointed.

**For and on behalf of the Board**

Kolkata

Date : 24th May, 2013

**A. Khaitan**  
**Chairman**



## Report on Corporate Governance For the Financial Year 2012-13

### 1. Compliance on Mandatory Requirements

#### A. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company believes that good corporate governance consists of a combination of business practices which results in enhancement of the value of the Company to the shareholders and simultaneously enables the Company to fulfill its obligations to the stakeholders including employees and financiers and to the society in general. The Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company makes its best endeavors to uphold and nurture these core values in all aspects of its operations.

#### B. BOARD OF DIRECTORS

##### (i) Composition of Board, Directorship and Committee Membership in other Companies as at 31st March 2013:

Sl. No	Director	Executive / Non-Executive / Independent	No. of outside Directorship*	No. of outside committee membership-position held #	
				As Chairman	As Member
1.	Mr. A. Khaitan	Non-Executive Chairman	7	2	2
2.	Mr. D. Khaitan	Non-Executive	7	—	2
3.	Mr. T.R. Swaminathan	Independent	3	5	1
4.	Mr. R.S. Jhavar	Non-Executive	7	—	3
5.	Mr. K. K. Baheti	Non-Executive	9	—	2
6.	Mr. C.K. Pasari	Independent	4	—	—
7.	Mr. J. Hazarika	Independent	2	—	—
8.	Mr. G. Saraf	Independent	1	—	—

\* Excluding Foreign Companies, Private Companies and Companies under Section 25 of the Companies Act, 1956.

# For this purpose only three types of Committees viz. the Audit Committee, Shareholders' Grievance Committee and Remuneration Committee are considered.

'Independent Director' is defined as one who, apart from receiving sitting fees as a Director and Directors' Commission, does not have any other material pecuniary relationship or transactions in his/her personal capacity with the Company, its promoters, its management or its subsidiaries.

The Non-Executive Directors have no material pecuniary relationship or transactions in their personal capacities with the Company.

##### (ii) Changes in Composition of Board of Directors since last Report :

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

##### (iii) Inter-se relationship between Directors : Mr. D. Khaitan and Mr. A. Khaitan are related to one another.

##### (iv) Attendance of Directors in Meetings held during the Financial Year 2012-13 :

Director	Date of Board Meeting				Date of AGM
	28.05.12	31.07.12	30.10.12	25.01.13	26.09.12
Mr. A. Khaitan	P	P	P	P	A
Mr. D. Khaitan	A	A	A	P	A
Mr. T. R. Swaminathan	P	P	P	P	A
Mr. R. S. Jhavar	A	P	P	P	A
Mr. K. K. Baheti	P	P	P	P	A
Mr. C. K. Pasari	P	A	A	P	A
Mr. J. Hazarika	P	P	P	A	P
Mr. G. Saraf	P	P	P	P	A

P = Attended, A = Not Attended



**C. AUDIT COMMITTEE****(i) Terms of Reference / Powers :**

The Audit Committee was constituted on 30th January, 2001 and reconstituted on 30th December, 2005 having following terms / powers :

- (a) Overseeing of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending the appointment and removal of statutory auditors, fixation of audit fee and also approval for payment for any other services.
- (c) Reviewing with the management the annual financial statements before submission to the Board focussing primarily on:
  - Any changes in accounting policies and practices.
  - Major accounting entries of judgement by management.
  - Qualification in audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards and Directors' Responsibility Statement in Directors' Report.
  - Compliance with Stock Exchanges and legal requirements concerning financial statements.
  - Any related party transactions, i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.
- (d) Reviewing with the management, statutory and internal auditors the adequacy of internal control systems.
- (e) Reviewing the adequacy of internal audit function including the structure of the internal audit department, if any, for the time being and staffing and seniority of the officials heading the same and reporting structure coverage and frequency of internal audit.
- (f) Discussion with internal auditors any significant finding and follow up thereon.
- (g) 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.
- (h) Discussion with statutory auditors before the audit commences, on the nature and scope of audit as well as having post-audit discussion to ascertain any area of concern.
- (i) Reviewing the Company's financial and risk management policies.
- (j) Looking into the reasons for substantial defaults in the payment to the shareholders (in case of dividends) and creditors.

**(ii) Composition, Names of Members and Chairman :**

During the Financial Year ended 31st March, 2013 four meetings of the Committee were held on 28.05.12, 31.07.12, 30.10.12 and 25.01.13. The composition of the Committee and the attendance of each member at these meetings are as under :

Sl. No.	Member	Meetings Attended
1.	Mr. T. R. Swaminathan - Chairman (Independent)	4
2.	Mr. R. S. Jhavar - (Non-Executive)	3
3.	Mr. C. K. Pasari - (Independent)	2
4.	Mr. J. Hazarika - (Independent)	3

**(iii) Secretary**

Mr. P. Bandyopadhyay is the Company Secretary of the Company and consequently, acting as the Compliance Officer of the Company for the requirements under the Listing Agreements with the Stock Exchanges. He is the Secretary of the Audit Committee.

**(iv) Invitees : (Being entitled to attend as per relevant provision of applicable Laws/Rules and/or as and when felt necessary)**

- (i) Statutory Auditors
- (ii) Internal Auditors



**D. REMUNERATION COMMITTEE**

The Remuneration Committee of the Board is comprising of Mr. T. R. Swaminathan ( Chairman ), Mr. R. S. Jhawar and Mr. K. K. Baheti as its Members with the following terms of reference :

To approve and recommend to the Board the remuneration package of the Managing Director / Wholetime Director / Manager as the case may be, including periodical revisions therein. The remuneration is considered and approved having regard to the applicable provisions of Schedule XIII to the Companies Act, 1956 which is subject to the approval of the Members of the Company at their General Meeting.

The details of Remuneration of the Directors during the Financial Year 2012-13 are as under :

Sl.No.	Name of Directors	Board Meeting Fees (in Rs.)	Committee Meeting Fees (in Rs.)
1.	Mr. A. Khaitan	20,000	—
2.	Mr. D. Khaitan	5,000	—
3.	Mr. T. R. Swaminathan	20,000	70,000
4.	Mr. R. S. Jhawar	15,000	60,000
5.	Mr. K. K. Baheti	20,000	50,000
6.	Mr. C. K. Pasari	10,000	10,000
7.	Mr. J. Hazarika	15,000	15,000
8.	Mr. G. Saraf	20,000	—
	<b>Total</b>	<b>1,25,000</b>	<b>2,05,000</b>

**E. SHAREHOLDERS' COMMITTEE**

The Shareholders' / Investors' Grievance Committee of the Board consists of Mr. R. S. Jhawar as its Chairman, Mr. T. R. Swaminathan and Mr. K. K. Baheti as its Members. The terms of reference of the Committee are to look into the redressal of investors' complaints relating to transfer of shares, non-receipt of share certificates, issue of duplicate share certificates, issue of dividend warrants, non-receipt of dividend warrants, notices / Annual Reports and other grievances. One Committee Meeting was held during the year on 30th March, 2013.

**(a) Shareholders' Complaints and Redressal during 2012-13 :**

Number of complaints pending at the beginning of the Year	No. of Complaints received during the Year	No. of Complaints redressed during the Year	Number of complaints pending at the end of the Year
Nil	1	1	Nil

**(b) Number of pending Share transfers as at 31.3.2013 : Nil****F. GENERAL BODY MEETINGS****(i) Details of Annual General Meetings of the last three years :**

AGMs	Date	Location	Time
AGM (37th)	16.09.2010	House No.37, 5th Bye Lane, Mother Teresa Road, Zoo Narengi Road, Guwahati - 781 021	3.00 p.m.
AGM (38th)	21.09.2011	- do -	12.30 p.m.
AGM (39th)	26.09.2012	Udayan, House No.147, 2nd Floor, Ganeshguri, R.G. baruah Road, Guwahati - 781 005	10.00 a.m.

One Special Resolution was passed in the last Annual General Meeting held on 26.09.2012. No other Special Resolution was passed in any of the three previous Annual General Meetings.

During the year ended 31st March, 2013 no Special Resolution was put through postal ballot.

**G. DISCLOSURES**

- Related party transactions have been disclosed under Notes Forming Part of the Financial Statements for the Year under review.
- The Company has complied with all the requirements of the Listing Agreements with the Stock Exchanges as well as regulations and guidelines of the SEBI. No penalties have been imposed or stricture has been issued by the SEBI, Stock Exchanges or any Statutory Authorities on matters relating to the Capital Markets during the last three years.



**H. MEANS OF COMMUNICATION**

**(i) Financial Results :**

Quarterly, half-yearly and annual results in the forms prescribed by the Stock Exchanges in Listing Agreements are published in prominent daily newspapers viz. The Sentinel and Ajir Asom.

**(ii) Management Discussion and Analysis Report (MD&A) :**

The Management Discussion and Analysis Report forms part of the Annual Report.

**(iii) Other Information**

General Information of the Company is displayed on the Company's Website [www.williamsonfinancial.in](http://www.williamsonfinancial.in)

**I. GENERAL SHAREHOLDER INFORMATION**

**(i) Next Annual General Meeting :**

Date	Time	Venue
23rd September, 2013	10.00 A.M.	Udayan, House No. 147, 2nd Floor Ganeshguri, R. G. Baruha Road Guwahati - 781 005

**(ii) Financial Calendar (tentative) for year 2013-14 :**

The Company's Financial Year is from April 1 to March 31 of the following year. The Calendar for 2013-14 is as follows :-

Publication of Results	Quarter / Half Year / Year ended	Time
Quarterly (Un-audited)	30.06.2013	Within 14th August, 2013
Half Yearly / Quarterly (Unaudited)	30.09.2013	Within 14th November, 2013
Quarterly (Un-audited)	31.12.2013	Within 14th February, 2014
Yearly (Audited)	31.03.2014	Within 30th May, 2014

**(iii) Dates of Book Closure :**

The Register of Members of the Company will remain closed from 16th September, 2013 to 23rd September, 2013 (both days inclusive) for the purpose of the Annual General Meeting of the Company.

**(iv) Date of Dividend Payment :**

In view of the accumulated loss of the Company the Board does not propose any dividend in respect of the year 2012-13.

**(v) Information pertaining to the Stock Exchanges :**

**(a) Listing on Stock Exchange :**

- The Gauhati Stock Exchange Limited, Saraf Building, A. T. Road, Guwahati - 781 001.
- The Calcutta Stock Exchange Limited, 7 Lyons Range, Kolkata - 700 001.
- Bombay Stock Exchange Limited, Floor 25, P J Towers, Dalal Street, Mumbai - 400 001.

**(b) Stock Code for**

	Stock Code
The Gauhati Stock Exchange Limited	L/527
The Calcutta Stock Exchange Limited	33039
The Bombay Stock Exchange Limited	519214

The Company pays Annual Listing Fees to the Stock Exchanges in due course.

ISIN for the Company's Shares in Demat Form : INE188E01017

Depository Connectivity : NSDL and CDSL

**(vi) Stock Market Price Data :**

The Shares of the Company are sparsely traded on the Stock Exchanges. It was occasionally traded on the Stock Exchange, Mumbai. The Company's stock price data during the last financial year and their comparison to broad based indices, such as BSE Sensex are as under :

Month	Company's Shares		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April, 2012	31.85	24.40	17,664.10	17,010.16
May, 2012	29.75	24.00	17,432.33	15,809.71
June, 2012	33.30	26.90	17,448.48	15,748.98
July, 2012	33.00	27.20	17,631.19	16,598.48



August, 2012	30.40	27.20	17,792.54	17,026.97
September, 2012	33.90	25.70	18,869.94	17,250.80
October, 2012	32.00	25.50	19,137.29	18,393.42
November, 2012	29.50	25.00	19,372.70	18,255.69
December, 2012	29.75	25.05	19,612.18	18,149.03
January, 2013	28.95	23.00	20,203.66	19,596.38
February, 2013	27.45	22.10	19,966.69	18,793.97
March, 2013	30.90	19.75	19,754.66	18,568.43

(vii) **Registrars and Transfer Agents for Demat and Physical Shares :**

Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001.

(viii) **Share Transfer System for Physical Shares :**

The Directors' Share Transfer Committee of the Company meets regularly for approving share transfers and for other related activities. The average time taken for processing of transfers is about two weeks. The time taken to process dematerialisation requests is about 10 to 14 days.

(ix) **Distribution of Shareholding as on 31st March, 2013 :**(a) **According to Category of Holding :**

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Resident Individuals	7923	97.64	22,01,915	26.34
Domestic Companies	135	1.89	35,50,188	42.49
Banks / Financial Institutions	8	0.09	1,855	0.02
Non-Resident Indian	22	0.29	1,67,004	1.99
Non-Domestic Companies	1	0.02	23,46,500	28.07
UTI, LIC, GIC etc.	5	0.07	91,674	1.09
<b>Total</b>	<b>8094</b>	<b>100.00</b>	<b>83,59,136</b>	<b>100.00</b>

(b) **According to number of Equity Shares held :**

No. of Shares	No. of Shareholders	% of Shareholders
1 to 500	7442	91.97
501 to 1000	348	4.29
1001 to 2000	147	1.81
2001 to 3000	56	0.69
3001 to 4000	18	0.22
4001 to 5000	19	0.23
5001 to 10000	30	0.37
10001 and above	34	0.42
<b>Total</b>	<b>8094</b>	<b>100.00</b>

(x) **Dematerialisation of Shareholding and liquidity :**

The Company entered into Agreements with both the depositories registered under the Depositories Act, 1996, i.e. **National Securities Depository Limited**, Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 (**NSDL**) and **Central Depository Services Limited**, Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400 001 (**CDSL**), to facilitate holding of shares in the Company in dematerialised form in accordance with the provisions of the Depositories Act, 1996.

Share Certificates of the Company were mandated by the SEBI for settlement only in dematerialised form by all investors. Upto 31st March, 2013, 58.88% of the Paid-up Capital of the Company has been dematerialised. The Company encourages the shareholders of the Company who have not as yet dematerialised their



shareholding, to do so to eliminate the risk of holding securities in the physical form and thereby enjoy high liquidity and other advantages.

For further details, Members may write to the Share Department of the Company at its Kolkata Office.

- (xi) **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity** : Not Applicable.
- (xii) **Insider Trading** :  
The Code of Internal Procedure & Conduct and Code of Corporate Disclosure Practices as per the SEBI (Prohibition of Insider Trading) Regulations, 1992 initiated by the Board at its Meeting held on 29th July, 2005 are in force and the same with the latest amendment are available in the Company's website.
- (xiii) **CEO / CFO Certification**  
The CEO and CFO has certified to the Board in terms of Clause 49V of the Listing Agreements regarding the authenticity of the financial reporting and adequacy of the internal control systems.
- (xiv) **Code of Conduct**  
The Company laid down its Code of Conduct for its Directors as well as Senior Management Personnel in terms of Clause 49.1(D) of the Listing Agreements, which was approved by the Board at its Meeting held on 28th October, 2005.
- (xv) **Plant Location** :  
The Company is a Financial Services Company and is not engaged in manufacturing operations. Its Registered Office earlier situated at House No.37, 5th Bye Lane, Mother Teresa Road, Zoo Narengi Road, Guwahati - 781 021 has been shifted during the Year under review to the premises at Udyan, House No.147, 2nd Floor, Ganeshguri, R.G. Baruha Road, Guwahati - 781005. Its Kolkata Office is situated at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001.
- (xvi) **Whom and where to contact for share related services** :  
(a) **For routine matters**
- Share Department, Williamson Financial Services Limited  
Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata - 700 001.
  - Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001
- (b) **For Redressal of Complaints and Grievances** :
- |   |  |
|---|--|
| Mr. P. Bandyopadhyay<br>Williamson Financial Services Limited<br>Udyan, House No. 147<br>2nd Floor, Ganeshguri,<br>R. G. Baruha Road<br>Guwahati 781 005<br>E-mail : pb@wmg.co.in | Mr. P. Bandyopadhyay<br>Share Department<br>Williamson Financial Services Limited<br>Four Mangoe Lane<br>Surendra Mohan Ghosh Sarani<br>Kolkata - 700 001<br>E-mail : pb@wmg.co.in |
|---|--|

## 2. **Non-Mandatory Requirements**

- (a) **Chairman of the Board** :  
The Company does not bear the expenses of the Chairman's office.
- (b) **Remuneration Committee** :  
The Remuneration Committee of the Board was constituted on 30th June, 2003 with Mr. T.R. Swaminathan as the Chairman and Mr. R. S. Jhawar and Mr. K. K. Baheti are other Members as stated in Item No.D above.
- (c) **Shareholders' Rights** :  
Half-yearly results including summary of the significant events are presently not being sent to Shareholders of the Company.

On behalf of the Board of Directors

Kolkata  
24th May, 2013

A. Khaitan  
Chairman

**DECLARATION BY CEO REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges this is to confirm that the Company has received from the Board Members and Senior Management Personnel affirmations of compliance with the Code of Conduct as applicable to them.

For Williamson Financial Services Limited  
S. R. Mundhra  
Manager

Kolkata  
24th May, 2013

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDERCLAUSE 49 OF THE LISTING AGREEMENT**

**The Shareholders**

We have reviewed the compliance of conditions of Corporate Governance by **Williamson Financial Services Limited** for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges, with the relevant record and documents maintained by the Company as furnished to us.

The compliance conditions of Corporate Governance is the responsibility of the management. Our examination 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.

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

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges have been complied with in all material respect by the Company.

Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani,  
Kolkata - 700 001  
24th May, 2013

For V. Singhi & Associates  
*Chartered Accountants*  
V. K. Singhi  
*Partner*  
Membership No. 300/50051



## **Independent Auditor's Report To The Members of Williamson Financial Services Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **WILLIAMSON FINANCIAL SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (ii) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956; and
  - e) on the basis of written representations received from the Directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.311017E**

Place : Kolkata  
Dated : 24th May, 2013

**V. K. Singhi**  
**Partner**  
**Membership No. 300/50051**



**Annexure to the Auditor's Report**

(Referred in Paragraph-1 of Report on Other Legal and Regulatory Requirements)

- 1
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) As informed to us, the fixed assets have been physically verified by the management during the year and there is regular programme of verifications which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) During the year, the Company has not disposed off any substantial/major part of fixed assets.
- 2 The Company's nature of operations does not require it to hold any item of inventories. Accordingly, clause 4(ii) (a), (b) & (c) of the Order are not applicable.
- 3
  - a) According to the information and explanations given to us, the Company has not granted loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4(iii) (a), (b), (c) & (d) of the Order are not applicable.
  - b) According to the information and explanations given to us, during the year the Company has taken an unsecured loan of Rs. 19,00,000 from a Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,50,00,000 and the year end balance of such loan was Rs. 1,50,00,000.
  - c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of such loan are not prima facie pre-judicial to the interest of the Company.
  - d) The interest payments are regular and the principal amount is repayable on demand.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for services rendered. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedure.
- 5
  - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
  - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 The Company has not accepted any deposits from the public during the year within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereon.
- 7 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 8 According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of services carried out by the Company.
- 9
  - a) As per records of the Company and according to the information and explanations given to us, the Company is generally regular in depositing undisputed applicable statutory dues including Provident



Fund, Income Tax, Wealth Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities and there are no undisputed amount payable in respect of Provident Fund, Income Tax, Wealth Tax, Service Tax and Cess which were in arrears as on 31st March, 2013 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues outstanding on account of any dispute.
- 10 In our opinion, the accumulated losses of the Company as at the end of the financial year has not exceeded fifty per cent of its net worth and the Company has incurred cash losses during the financial year and in the immediately preceding financial year covered by our audit.
- 11 According to the information and explanations given to us, the Company has neither taken any loans from financial institutions and banks nor issued any debentures. Accordingly, clause 4(xi) of the Order is not applicable.
- 12 As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company. Accordingly, clause 4(xiii) of the Order is not applicable.
- 14 In respect of dealing/trading in shares and other Investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares and other securities have been held by the Company in its own name.
- 15 According to the information and explanations given to us, except shares pledged as stated in Note 10(b), the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16 According to the information and explanations given to us and on an overall examination of the Balance Sheet, no term loan has been obtained by the Company during the year.
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have been utilised for working capital requirements.
- 18 The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- 19 The Company has not issued any debentures during the year.
- 20 The Company has not raised any money by way of public issue during the year.
- 21 Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For V. SINGHI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No.311017E**

Place : Kolkata  
Dated : 24th May, 2013

**V. K. Singhi**  
**Partner**  
**Membership No. 300/50051**

**Balance Sheet as at 31st March, 2013**

	Note	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	8,35,91,360	8,35,91,360
(b) Reserves and Surplus	3	<u>8,94,94,723</u>	<u>18,74,95,456</u>
		17,30,86,083	27,10,86,816
<b>2. Non Current Liabilities</b>			
(a) Long Term Borrowings	4	15,00,00,000	15,00,00,000
(b) Long Term Provisions	5	<u>52,11,403</u>	<u>51,96,216</u>
		15,52,11,403	15,51,96,216
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings	6	55,20,00,000	46,11,00,000
(b) Other Current Liabilities	7	3,25,39,041	7,90,88,950
(c) Short Term Provisions	8	<u>2,16,76,559</u>	<u>2,27,94,009</u>
		60,62,15,600	56,29,82,959
		<u><b>93,45,13,086</b></u>	<u><b>98,92,65,991</b></u>
<b>II. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Fixed Assets			
i) Tangible Assets	9(a)	28,37,689	30,01,640
ii) Intangible Assets	9(b)	<u>2</u>	<u>2</u>
		28,37,691	30,01,642
(b) Non Current Investments	10	83,93,57,263	89,22,77,952
(c) Long Term Loans and Advances	11	<u>33,000</u>	<u>33,000</u>
		83,93,90,263	89,23,10,952
<b>2. Current Assets</b>			
(a) Current Investments	12	18,68,200	22,57,525
(b) Cash and Cash Equivalents	13	5,12,593	79,51,053
(c) Short Term Loans and Advances	14	7,78,43,136	7,77,58,616
(d) Other Current Assets	15	<u>1,20,61,203</u>	<u>59,86,203</u>
		9,22,85,132	9,39,53,397
		<u><b>93,45,13,086</b></u>	<u><b>98,92,65,991</b></u>

**Significant Accounting Policies 1**

The accompanying notes form and integral part of the Financial Statements.

As per our report annexed  
 For V. SINGHI & ASSOCIATES  
*Chartered Accountants*  
 Firm Reg. No. 311017E  
 V. K. SINGHI  
*Partner*  
 Membership No.050051

Kolkata  
 24th May, 2013

T.R.SWAMINATHAN *Director*  
 R. S. JHAWAR *Director*  
 K.K.BAHETI *Director*  
 P. BANDYOPADHYAY *Company Secretary*



**Statement of Profit & Loss for the year ended 31st March, 2013**

	Note	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
		Rs.	Rs.	Rs.	Rs.
I. Revenue From Operations	16		1,08,75,000		1,54,11,777
II. Other Income	17		3,78,41,017		3,56,21,945
III. Total Revenue ( I + II)			<u>4,87,16,017</u>		<u>5,10,33,722</u>
IV. Expenses :					
Employee Benefits Expense	18		28,26,688		17,17,223
Finance Costs	19		8,79,14,651		7,86,19,593
Depreciation		1,63,951		1,71,180	
Less : Withdrawn on Account of Depreciation on Amount Added on Revaluation (Refer Note 23)		<u>1,00,931</u>	63,020	<u>1,06,243</u>	64,937
Other Expenses	20		28,75,584		47,37,544
Provision for diminution in value of Non Current Investments			5,29,20,689		42,61,42,176
Provision for Standard Assets (Refer note 24)			15,187		1,08,420
Total Expenses			<u>14,66,15,819</u>		<u>51,13,89,893</u>
<b>Loss for the year</b>			<u><b>9,78,99,802</b></u>		<u><b>46,03,56,171</b></u>
Earnings per Equity Share					
- Basic and Diluted			(11.71)		(55.07)

**Significant Accounting Policies 1**

The accompanying notes form an integral part of the Financial Statements.

Kolkata 24th May, 2013	As per our report annexed	T.R.SWAMINATHAN	Director
	For V. SINGHI & ASSOCIATES	R. S. JHAWAR	Director
	Chartered Accountants	K.K.BAHETI	Director
	Firm Reg. No. 311017E	P.BANDYOPADHYAY	Company Secretary
	V. K. SINGHI Partner Membership No.050051		



**Notes forming part of the Financial Statements for the year ended 31st March, 2013**

**NOTE 1**

**SIGNIFICANT ACCOUNTING POLICIES**

**a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements have been prepared under the historical cost convention method on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles in India (GAAP) and comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

**b) USE OF ESTIMATES**

The preparation of the financial statements in conformity with the Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumption and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

Management believes that the estimates used in the presentation of financial statements are prudent and reasonable. Actual result could differ from these estimates.

**c) RECONGNITION OF INCOME AND EXPENDITURE**

Items of income and expenditure are recognised on accrual and prudent basis with due compliance of the Guidelines of the Reserve Bank of India on Prudential Norms for income recognition and provisioning for non-performing assets.

**d) FIXED ASSETS AND DEPRECIATION**

- i) All the Fixed Assets have been stated at cost of acquisition with the resultant write-up due to revaluation, as there may be.
- ii) Depreciation on all Fixed Assets have been provided on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

**e) INVESTMENTS**

Investments have been classified into Long Term Investments and Current Investments in accordance with the Accounting Standard 13 issued by the Institute of Chartered Accountants of India. Long Term Investments are stated at cost. Current Investments are valued at lower of cost and market/ fair value determined by category of investments. Provisions in respect of diminution other than temporary, in the value of long term quoted investments are recognized on a prudent basis. Gains/losses on disposal of investments are recognized as income/expenditure. Dividends are accounted for when the right to receive the payment is established.

**f) RETIREMENT BENEFITS**

The Company contributes to Provident Fund and Superannuation Fund which are administered by duly

**Notes forming part of the Financial Statements for the year ended 31st March, 2013**

**NOTE 1**

**SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

constituted and approved Independent Trust/Government and such defined contributions are charged against revenues every year.

Accrued liability in respect of retirement gratuities are actuarially ascertained at the year end. The Company has created a Gratuity Fund under Group Gratuity Scheme under which yearly premium is being paid to take care of current as well as past liability. The annual premium for the year is charged to the financial statement.

Accrued liability in respect of leave encashment benefits on retirement is actuarially ascertained at the year end and provided for in the financial statements.

**g) IMPAIRMENT**

Impairment loss is recognized wherever the carrying amount of the Fixed Assets exceeds the recoverable amount i.e. the higher of the assets net selling price and value in use.

**h) ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred Tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets will be realised. Such assets are reviewed as at each Balance Sheet date to reassess realisability thereof.

**i) EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**j) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be outflow of resources.

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

Contingent assets are neither recognised nor disclosed in the financial statements.



**Notes forming part of the Financial Statements for the year ended 31st March, 2013**

**NOTE 2**

**SHARE CAPITAL**

**a) AUTHORISED**

	As at 31st March, 2013		As at 31st March, 2012	
	Number	Rs.	Number	Rs.
Equity Shares of Rs. 10/- each	<u>1,50,00,000</u>	<u>15,00,00,000</u>	<u>1,50,00,000</u>	<u>15,00,00,000</u>

**ISSUED, SUBSCRIBED AND PAID UP**

	As at 31st March, 2013		As at 31st March, 2012	
	Number	Rs.	Number	Rs.
Equity Shares of Rs. 10/- each fully paid up	83,59,136	8,35,91,360	83,59,136	8,35,91,360
	<u>83,59,136</u>	<u>8,35,91,360</u>	<u>83,59,136</u>	<u>8,35,91,360</u>

- b)** i) 4,78,793 Shares out of the issued and subscribed share capital were allotted pursuant to a contract without payment received in cash.
- ii) 46,76,103 Shares out of the issued and subscribed share capital were allotted pursuant to the schemes of Amalgamation without payment received in cash.
- iii) 20,78,825 Shares out of the issued and subscribed share capital were allotted as Bonus Shares by capitalisation of General Reserve.
- c)** The shareholders have the right to declare and approve dividends, as proposed by the Board of Directors for any financial year, to be paid to the members according to their rights and interest in the profits. However, no larger dividend shall be declared than is recommended by the Board of Directors.
- d)** In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

**e) Name of the Shareholders holding more than 5% shares**

Name of Shareholders	As at 31st March, 2013		As at 31st March, 2012	
	Number	% of Holding	Number	% of Holding
Mcleod Russel India Limited	16,66,953	19.94	16,66,953	19.94
Williamson Magor & Co. Limited	5,76,250	6.89	5,76,250	6.89
Bishnauth Investments Limited (Formerly known as Metals Centre Limited)	8,57,498	10.26	8,57,498	10.26
Williamson Maknam Limited	23,46,500	28.07	23,46,500	28.07

As per records of the Company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Notes forming part of the Financial Statements for the year ended 31st March, 2013

	As at 31st March, 2013		As at 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>NOTE 3</b>				
<b>RESERVES AND SURPLUS</b>				
<b>(a) Capital Reserve</b>				
As per last Financial Statement		42,63,70,924		42,63,70,924
<b>(b) Revaluation Reserve</b>				
As per last Financial Statement	20,18,617		21,24,860	
Less : Withdrawal on account of depreciation on amount added on revaluation	<u>1,00,931</u>	19,17,686	<u>1,06,243</u>	20,18,617
<b>(c) Securities Premium Reserve</b>				
As per last Financial Statement		11,80,44,960		11,80,44,960
<b>(d) General Reserve</b>		63,34,00,000		63,34,00,000
<b>(e) Statutory Reserve* (Refer note below)</b>				
As per last Financial Statement		4,48,00,000		4,48,00,000
<b>(f) Surplus</b>				
As per last Financial Statement	(1,03,71,39,045)		(57,67,82,874)	
Add : Profit/(Loss) as per Statement of Profit and Loss for the year	<u>(9,78,99,802)</u>		<u>(46,03,56,171)</u>	
		(1,13,50,38,847)		(1,03,71,39,045)
		<u><b>8,94,94,723</b></u>		<u><b>18,74,95,456</b></u>

\*Note : Created in accordance with Reserve Bank of India (Amendment) Act, 1997 as applicable to Non-Banking Financial Companies.

**NOTE 4**

**LONG TERM BORROWINGS**

**SECURED TERM LOANS**

IL & FS Financial Services Limited (Secured by pledge of certain investments of its own and other Companies)	15,00,00,000	15,00,00,000
(Secured by pledge of shares of McLeod Russel India Limited (MIRL) and McNally Bharat Engineering Company Limited (MBECL) at the margin of 50% held by the own)		
(Repayable in 8 equal quarterly instalments commencing at the end of August, 2014 from date of disbursement facilities)		
	<u><b>15,00,00,000</b></u>	<u><b>15,00,00,000</b></u>



Notes forming part of the Financial Statements for the year ended 31st March, 2013

**NOTE 5**

**LONG TERM PROVISIONS**

**For Non Performing Assets**

As per last Financial Statement

50,00,000

50,00,000

**For Standard Assets**

As per last Financial Statement

1,96,216

87,796

Add : For the year

15,187

2,11,403

1,08,420

1,96,216

**52,11,403**

**51,96,216**

**NOTE 6**

**SHORT TERM BORROWINGS**

**Secured**

**Short Term Loans**

IL & FS Financial Services Limited  
(Secured by pledge of certain investments  
of its own and other Companies)

—

20,00,00,000

**Unsecured**

From - Bodies Corporate

53,70,00,000

24,80,00,000

From - Related Party

1,50,00,000

1,31,00,000

**55,20,00,000**

**46,11,00,000**

**NOTE 7**

**OTHER CURRENT LIABILITIES**

Interest accrued but not due

2,81,04,883

42,40,565

**Other Liabilities**

- Advance from customers

—

1,77,472

- Other payables

4,47,444

7,05,21,189

- Payable to statutory authorities

39,86,714

44,34,158

41,49,724

7,48,48,385

**3,25,39,041**

**7,90,88,950**

**NOTE 8**

**SHORT TERM PROVISIONS**

For Income Tax

(Net of Advance Tax of Rs.21,19,642/-)

(Previous year Rs.10,32,142/-)

2,16,26,559

2,27,14,059

Wealth Tax

(Net of Advance Tax of Rs.56,080/-)

(Previous year Rs.26,130/-)

50,000

79,950

**2,16,76,559**

**2,27,94,009**

**Notes forming part of the Financial Statements for the year ended 31st March, 2013**  
**FIXED ASSETS**  
**NOTE 9(a) - TANGIBLE ASSETS**

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as on 01.04.2012	Addition during the year	Cost as at 31.03.2013	Upto 31.03.2012	For the year	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Buildings (Refer Note below)	1,16,98,435	—	1,16,98,435	88,14,074	1,44,218	89,58,292	27,40,143	28,84,361
Plant and Equipment	4,67,097	—	4,67,097	4,59,946	996	4,60,942	6,155	7,151
Furniture & Fittings	8,61,708	—	8,61,708	7,51,580	18,737	7,70,317	91,391	1,10,128
<b>Total</b>	<b>1,30,27,240</b>	<b>—</b>	<b>1,30,27,240</b>	<b>1,00,25,600</b>	<b>1,63,951</b>	<b>1,01,89,551</b>	<b>28,37,689</b>	<b>30,01,640</b>
Previous Year	1,29,98,740	28,500	1,30,27,240	98,54,420	1,71,180	1,00,25,600	30,01,640	

**NOTE 9(b) - INTANGIBLE ASSETS**

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as on 01.04.2012	Addition during the year	Cost as at 31.03.2013	Upto 31.03.2012	For the year	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Goodwill	2	—	2	—	—	—	2	2
<b>Total</b>	<b>2</b>	<b>—</b>	<b>2</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2</b>	<b>2</b>
Previous Year	2	—	2	—	—	—	2	2

Note : Based on Valuation Report submitted by Professional Valuer appointed for the purpose, a building had been revalued as at 1st April, 1997 on current cost basis and adjusted for depreciation element as applicable. The resultant increase in the net book value on such revaluation amounting to Rs. 42,81,094 ( earlier revalued on 31st March, 1992) were transferred to Revaluation Reserve in that year.



Notes forming part of the Financial Statements for the year ended 31st March, 2013

	Face Value Rs.	As at 31st March, 2013 No. of Shares/ Debentures	Rs.	As at 31st March, 2012 No. of Shares/ Debentures	Rs.
<b>NOTE 10</b>					
<b>NON-CURRENT INVESTMENTS</b>					
(Valued at cost unless stated otherwise)					
<b>LONG TERM</b>					
<b>QUOTED</b>					
<b>INVESTMENT IN EQUITY INSTRUMENTS</b>					
In Equity Shares (fully paid up)					
Eveready Industries India Limited	5	51,60,988	8,98,01,192	51,60,988	11,61,22,231
[Net of Provision other than temporary diminution in carrying amount of investment-Rs.42,57,35,299/- (previous year Rs.39,94,14,261/-)]					
McLeod Russel India Limited	5	58,98,725	58,92,06,787	58,98,725	58,92,06,787
McNally Bharat Engineering Company Ltd.	10	15,51,000	10,68,63,900	15,51,000	13,34,63,550
[Net of Provision other than temporary diminution in carrying amount of investment-Rs.31,18,46,853/- (previous year Rs.28,52,47,203/-)]					
<b>UNQUOTED</b>					
In Equity Shares (fully paid-up)					
ABC Tea Workers' Welfare Services Limited	10	500	2	500	2
Babcock Borsig Limited	10	10,26,000	5,34,85,380	10,26,000	5,34,85,380
Woodlands Multispeciality Hospitals Limited	10	1,250	1	1,250	1
<b>DEBENTURES</b>					
5% Debentures of Shillong Club Limited	5300	—	1	—	1
<b>Net Value of Investments</b>			<b>83,93,57,263</b>		<b>89,22,77,952</b>

Note : (a)

	<b>31st March, 2013</b>		<b>31st March, 2012</b>	
	Book Value Rs.	Market Value Rs.	Book Value Rs.	Market Value Rs.
<b>Shares</b>				
Quoted	78,58,71,879	2,26,15,13,777	83,87,92,568	1,85,02,04,809
Unquoted	5,34,85,383		5,34,85,383	
Debenture	1		1	
	<b>83,93,57,263</b>		<b>89,22,77,952</b>	

Note : (b) : Particulars relating to Equity Shares pledged against loan availed by the Company and other Companies.

	<b>31st March, 2013</b> No. of Shares	<b>31st March, 2012</b> No. of Shares
McLeod Russel India Limited	14,50,000	14,50,000
McNally Bharat Engineering Company Limited	15,00,000	15,00,000

# WILLIAMSON FINANCIAL SERVICES LIMITED

## Notes forming part of the Financial Statements for the year ended 31st March, 2013

### NOTE 11

#### LONG TERM LOANS AND ADVANCES

Unsecured, considered good  
Security and Other Deposits

As at 31st March, 2013  
Rs.

As at 31st March, 2012  
Rs.

33,000

33,000

33,000

33,000

### NOTE 12

#### CURRENT INVESTMENTS

At the lower of cost and market/fair  
value determined by category of  
investment

Face Value  
Rs.

As at 31st March, 2013  
No. of  
Shares Rs.

As at 31st March, 2012  
No. of  
Shares Rs.

#### QUOTED

#### INVESTMENT IN EQUITY INSTRUMENT

In Equity Shares (fully paid-up)

Marigold Glass Industries Limited	10	—	—	22,500	1,12,600
Mint Investments Ltd.	10	2,40,000	14,40,000	2,40,000	14,40,000
The Standard Batteries Limited	1	41,775	3,34,200	41,775	3,34,200
Nucent Estate Limited	2	47,000	94,000	47,000	62,980
State Bank of Bikaner & Jaipur	10	—	—	1,200	3,02,250
Uniworth Limited	10	—	—	4,050	5,495
			<u>18,68,200</u>		<u>22,57,525</u>

### NOTE 13

#### CASH AND CASH EQUIVALENTS

Balances with Banks

- In Current Accounts

5,12,593

79,51,053

5,12,593

79,51,053

### NOTE 14

#### SHORT TERM LOANS AND ADVANCES

Unsecured, considered good

##### a) Loans

- to Corporates

7,75,00,000

7,75,00,000

##### b) Advances

Other advances

3,28,136

2,43,616

Advance Fringe Benefit Tax

15,000

15,000

(Net of Provision of Rs 15,000/-)

(Previous Year Rs 15,000/-)

7,78,43,136

7,77,58,616



## Notes forming part of the Financial Statements for the year ended 31st March, 2013

	As at 31st March, 2013		As at 31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>NOTE 15</b>				
<b>OTHER CURRENT ASSETS</b>				
Interest accrued on loans and deposits		1,20,61,203		5,986,203
		<u>1,20,61,203</u>		<u>5,986,203</u>

	For the year ended		For the year ended	
	31st March, 2013		31st March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>NOTE 16</b>				
<b>REVENUE FROM OPERATIONS</b>				
Interest Income		1,08,75,000		1,54,11,777
(Tax Deducted at Source of Rs. 10,87,500/-)				
(Previous Year Rs. 9,53,353/-)				
		<u>1,08,75,000</u>		<u>1,54,11,777</u>

<b>NOTE 17</b>				
<b>OTHER INCOME</b>				
Dividend Income				
- On Long Term Investment	3,69,43,350		3,51,76,119	
- On Current Investment	<u>1,37,400</u>	3,70,80,750	<u>1,31,040</u>	3,53,07,159
Interest on Tax Refunds		—		655
Profit on Sale of Current Investments (Net)		4,45,662		14,900
Liabilities Written Back		2,83,585		—
Provision for diminution in value of Current Investment written back (Net)		31,020		2,99,231
		<u>3,78,41,017</u>		<u>3,56,21,945</u>

<b>NOTE 18</b>				
<b>EMPLOYEE BENEFITS EXPENSES</b>				
Salaries		24,08,600		12,81,000
Contributions to Provident and Other Funds		3,29,352		3,43,054
Staff welfare Expenses		88,736		93,169
		<u>28,26,688</u>		<u>17,17,223</u>

## Notes forming part of the Financial Statements for the year ended 31st March, 2013

	As at 31st March, 2013	As at 31st March, 2012
	Rs.	Rs.
<b>NOTE 19</b>		
<b>FINANCE COSTS</b>		
Interest Expense	8,68,38,044	7,77,44,671
Other Borrowing Cost	10,76,607	8,74,922
	<u>8,79,14,651</u>	<u>7,86,19,593</u>

<b>NOTE 20</b>		
<b>OTHER EXPENSES</b>		
Power and Fuel	1,24,216	1,06,727
Repairs - to Buildings	4,63,263	1,26,528
- to Others	3,000	1,250
Rates and Taxes	1,20,213	3,11,881
Insurance	—	42,450
Professional and Consultancy Charges	5,91,845	25,31,531
Travelling and Conveyance Expenses	2,88,536	3,10,856
Printing and Stationery	1,33,244	1,74,586
Postage, Telegram and Telephone	1,08,570	1,27,473
Directors Fees	3,30,000	3,45,000
Miscellaneous Expenses	7,12,697	6,59,262
	<u>28,75,584</u>	<u>4,737,544</u>



Notes forming part of the Financial Statements for the year ended 31st March, 2013

Other Notes

21. Contingent Liabilities not provided for in respect of pledge of certain shares held by the Company in respect of loan availed by third party amounting to Rs. 6,109.23 Lacs.
22. The Company has been registered as a Non-Banking Financial Company with the Reserve Bank of India.
23. In respect of items of Fixed Assets [covered by Revaluation as mentioned in Note 9(a)] depreciation has been calculated on their respective revalued amounts and includes additional charge of Rs.1,00,931/- (previous year Rs.1,06,243/-) which has been transferred from Revaluation Reserve, such transfer according to an authoritative professional view, being acceptable for the purpose of the Company's financial statements.
24. The Reserve Bank of India (RBI) vide its Notification No. DNBS. 223/CGM (US) - 2011 dated 17th January, 2011 has issued direction to all NBFCs to make provision of 0.25% against standard assets with immediate effect. Accordingly, the Company has made provision of Rs.15,187/- for the year (previous year Rs.1,08,420/-) against standard assets which has been charged to Statement of Profit and Loss.
25. Provision for diminution in the value of Long Term Investment for unquoted shares is not made in the financial statements as it is not permanent in nature.
26. Provisions for Non-Performing Assets in Note 5 to the Balance Sheet includes the following :

	2012-13 Rs.	2011-12 Rs.
For certain Loans - Inter-corporate	50,00,000	50,00,000
	<u>50,00,000</u>	<u>50,00,000</u>

27. Manager's Remuneration :

The total amount of Manager's Remuneration charged in these financial statements under various heads is set out below:

	2012-13 Rs.	2011-12 Rs.
a) Salary	6,72,000	5,58,000
b) Contribution to Provident Fund	80,640	66,960
c) Other Benefits & Allowances	3,99,444	3,23,135
	<u>11,52,084</u>	<u>9,48,095</u>

## Notes forming part of the Financial Statements for the year ended 31st March, 2013

28. Disclosure as required under Accounting Standard (AS) 15 (Revised)

	For the Year Ended 31st March 2013		For the Year Ended 31st March 2012		
	Gratuity (Funded) Rs.	Leave Encashment (Unfunded) Rs.	Gratuity (Funded) Rs.	Leave Encashment (Unfunded) Rs.	
<b>A. Expenses recognised in Statement of Profit and Loss</b>					
1. Current Service Cost	55,226	47,882	46,228	40,096	
2. Interest cost	17,918	22,453	14,243	19,904	
3. Expected return on Plan Assets	31,289	—	27,132	—	
4. Actuarial (gain)/loss recognised in the year	42,026	32,045	(28,889)	(13,488)	
5. Expenses recognised in the Statement of Profit & Loss	83,881	1,02,381	4,450	46,512	
<b>B. Net Assets / (Liability) recognised in the Balance Sheet</b>					
1. Present value of obligation at the end of the year	3,16,743	3,83,052	2,23,982	2,80,671	
2. Fair value of plan assets at the end of the year	4,00,000	—	3,91,120	—	
3. Funded status	83,257	—	1,67,138	—	
4. Net asset/(liability) recognised in Balance Sheet	83,257	(3,83,052)	1,67,138	(2,80,671)	
<b>C. Changes in present value of obligation</b>					
1. Present value of obligation as at the beginning of the year	2,23,982	2,80,671	1,67,559	2,34,159	
2. Interest cost	17,918	22,453	14,243	19,904	
3. Current service cost	55,226	47,882	46,228	40,096	
4. Acturial (Gain) / Loss on obligation	19,616	32,045	(4,048)	(13,488)	
5. Present value of obligation as at the end of the year	3,16,743	3,83,052	2,23,982	2,80,671	
<b>D. Changes in the Fair Value of Plan Assets :-</b>					
1. Fair value of Plan Assets at beginning of the Year	3,91,120	—	3,39,147	—	
2. Expected Return on Plan Assets	31,289	—	27,132	—	
3. Actuarial gain/(loss) on Plan Assets	(22,409)	—	24,841	—	
4. Fair value of Plan Assets as at the end of the year	4,00,000	—	3,91,120	—	
<b>Actuarial assumptions :</b>					
1. Discount rate (p.a.)	8%	—	8.5%	—	
2. Expected rate of return (p.a)	8%	—	8%	—	
3. Salary escalation (p.a.)	5%	—	5%	—	
<b>E. The experience adjustment on account of actuarial assumptions of the Gratuity Scheme is as follows:</b>					
<b>Experience History</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2009-10</b>	<b>2008-09</b>
		<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	
1. Defined Benefit Obligation at end of the year	3,16,743	2,23,982	1,67,559	1,13,941	61,592
2. Plan Assets at the end of the Year	4,00,000	3,91,120	3,39,147	3,38,183	66,561
3. Surplus / (Deficit)	83,257	1,67,138	1,71,588	2,24,242	4,969
4. Experience adjustments on Plan Liabilities	19,616	(4,048)	1,044	(5,746)	(3,536)
5. Experience Adjustments on Plan Assets	(22,409)	24,841	(26,091)	2,66,297	24,117



**Notes forming part of the Financial Statements for the year ended 31st March, 2013**

29. Miscellaneous Expenses includes Auditors' Remuneration as follows :

	2012-13 Rs.	2011-12 Rs.
As Auditors (includes Tax Audit Fee of Rs.25,000/-) (Previous Year Rs.25,000/-)	1,25,000	1,25,000
For Taxation Matters (Includes service tax of Rs.7,756/-) (Previous Year Rs.16,185/-)	70,506	1,73,319
For Company Law Matter (Includes service tax of Rs.18,385/-) (Previous Year Rs.9,082/-)	1,67,132	97,256
For Corporate Governance & Limited Review	75,000	75,000
For Reimbursement of expenses (Includes service tax for Previous Year Rs.1,470/-)	—	15,739
	<u>4,37,638</u>	<u>4,86,314</u>

30. The Company is engaged in the business of financial services, which as per Accounting Standard (AS) 17 is considered the only reportable business Segment. The geographical segmentation is not relevant, as the Company did not have any overseas operations during the year.

31. In calculating Basic and Diluted Earnings per Share :

	2012-13	2011-12
a) Numerator used :		
Profit/(Loss) after tax (Rs. in lakh)	(979.00)	(4,603.56)
b) Denominator used :		
Number of Equity Shares	83,59,136	83,59,136
c) Earning per share (Rs.)	(11.71)	(55.07)

32. Information given in accordance with the requirements of Accounting Standard (AS) 18 on Related Party Disclosures issued by the Institute of Chartered Accountants of India :

A) List of Related Parties

i) Names of the Key Management Personnel of the Company

a) Non Executive Directors - Mr. A. Khaitan  
Mr. D. Khaitan  
Mr. T. R. Swaminathan  
Mr. R. S. Jhavar  
Mr. K. K. Baheti  
Mr. C. K. Pasari  
Mr. J. Hazarika  
Mr. G. Saraf

b) Manager - Mr. S. R. Mundhra

c) Relative of Key Management Personnel - Mrs. Krishna Mundhra

d) Enterprise Exercising Significant Influence - Williamson Maknam Limited

ii) Name of the Company in which Key Management Personnel is interested  
Kanta Management Services Private Limited

B) Disclosure of transactions with Key Management Personnel and the Company in which Key Management Personnel is having substantial interest and the status of outstanding amount.

## Notes forming part of the Financial Statements for the year ended 31st March, 2013

## NOTE 32 (Contd.)

i) Transactions during the year with

Particulars	2012-13		2011-12	
	Company in which key management personnel is Interested	Key Management Personnel	Company in which key management personnel is interested	Key Management Personnel
<b>Directors Fees</b>				
Mr. A. Khaitan		20,000		20,000
Mr. D. Khaitan		5,000		15,000
Mr. T.R. Swaminathan		90,000		80,000
Mr. R.S. Jhawar		75,000		60,000
Mr. K.K. Baheti		70,000		75,000
Mr. C.K. Pasari		20,000		40,000
Mr. J. Hazarika		30,000		40,000
Mr. G. Saraf		20,000		15,000
<b>Interest Expenses</b>				
Kanta Management Service Private Ltd.	19,81,940	—	14,15,228	—
<b>Loan Borrowed</b>				
Kanta Management Service Private Ltd.	19,00,000	—	66,00,000	—
ii) Balance as at 31st March				
Kanta Management Service Private Ltd.				
Loan outstanding	1,50,00,000	—	1,31,00,000	—
Interest Payable	4,66,027	—	—	—

iii) Details of remuneration to Manager is disclosed in Note 27.

iv) Amount paid to relative of Key Management Personnel amounting to Rs.162,000/- (Previous year Rs.1,65,000/-)

33. The timing difference relating mainly to depreciation and unabsorbed losses results in net deferred credit as per Accounting Standards (AS) 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. As a prudent measure the net deferred tax asset relating to the above has not been recognized in the financial statements.

34. Previous years' figures have been regrouped / rearranged wherever necessary.

Signatures to Notes 1 to 34

As per our report annexed

For V. SINGHI &amp; ASSOCIATES

Chartered Accountants

Firm Reg. No. 311017E

V. K. SINGHI

Partner

Membership No.050051

T.R.SWAMINATHAN

Director

R. S. JHAWAR

Director

K.K.BAHETI

Director

P. BANDYOPADHYAY

Company Secretary

Kolkata

24th May, 2013



# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	For the year ended 31st March, 2013 Rs.	For the year ended 31st March, 2012 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax and extraordinary items	(9,78,99,802)	(46,03,56,171)
Adjustments for		
Provision For Standard Assets	15,187	1,08,420
Diminution in value of Investments	5,29,20,689	42,61,42,176
Depreciation	63,020	64,937
Interest expenditure	8,68,38,044	7,77,44,671
Provision no longer required	(31,020)	(2,99,231)
Profit on sale of Investments	(4,45,662)	(14,900)
Liability Written Back	(2,83,585)	—
Dividend	(3,70,80,750)	(3,53,07,159)
Operating Profit before Working Capital Changes	40,96,121	80,82,742
Adjustments for		
Trade & other receivables	(61,59,520)	(4,93,34,751)
Trade payables	(7,01,30,642)	(21,32,616)
Cash generated from operations	(7,21,94,041)	(4,33,84,625)
Taxes paid	11,17,450	4,47,438
Net Cash from operating activities	(A) (7,33,11,491)	(4,29,37,187)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	—	(28,500)
Purchase of Investments	—	(41,86,36,500)
Sale of investments	8,66,007	15,000
Dividend Income on investments	3,70,80,750	3,53,07,159
	(B) 3,79,46,757	(38,33,42,841)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

	For the year ended 31st March, 2013 Rs.	For the year ended 31st March, 2012 Rs.
--	---	---

**C. CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from Long Term Borrowings	—	15,00,00,000
Proceeds from Short Term Borrowings	94,09,00,000	1,16,56,00,000
Repayment of Short Term Borrowings	(85,00,00,000)	(80,60,00,000)
Interest paid	(6,29,73,726)	(7,97,17,612)
Net cash from Financing Activities (C)	<u>2,79,26,274</u>	<u>42,98,82,388</u>
Net increase in cash and cash equivalents (A+B+C)	(74,38,460)	36,02,360
Opening Cash and cash equivalents	79,51,053	43,48,693
Closing Cash and cash equivalents	<u>5,12,593</u>	<u>79,51,053</u>
	<u><b>74,38,460</b></u>	<u><b>(36,02,360)</b></u>

**Notes :**

1. The above cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2. Previous year's figures have been rearranged wherever necessary.

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

For V. SINGHI & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 311017E  
V. K. SINGHI  
Partner  
Membership No.050051

Kolkata  
24th May, 2013

T.R.SWAMINATHAN	Director
R. S. JHAWAR	Director
K.K.BAHETI	Director
P. BANDYOPADHYAY	Company Secretary



**Financial Year 2012-13****Note to the Balance Sheet of a non-deposit taking Non-Banking Financial Company**

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

**Liabilities side :**

(Rs. in lakh)

Amount outstanding

**(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :**

(a) Debentures : Secured	Nil
: Unsecured	Nil
(other than falling within the meaning of public deposits*)	
(b) Deferred Credits	Nil
(c) Term Loans	1500.00
(d) Inter-corporate loans and borrowings	5801.05
(e) Commercial Paper	Nil
(f) Other Loans (specify nature)	Nil

\*Please see Note 1 below

**Assets side :****(2) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :**

(a) Secured	Nil
(b) Unsecured	898.89

**(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities**

(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial lease	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) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	Nil
(b) loans other than (a) above	Nil

(Rs. in lakh)  
Amount outstanding

## (4) Break-up of Investments :

## Current Investments :

## 1. Quoted :

(i) Shares : (a) Equity	18.68
(b) Preference	—
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	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 (please specify)	Nil

## Long Term Investments :

## 1. Quoted :

(i) Shares : (a) Equity	7,858.72
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil

## 2. Unquoted :

(i) Shares : (a) Equity	534.85
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of Mutual Funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil



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

Please see Note 2 below

Category	(Rs. in Lakh)		
	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	—	898.89	898.89
<b>TOTAL</b>	—	898.89	898.89

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

Category	Market Value	Book Value
	Break-up or fair value or NAV	(Net of Provision)
1. Related Parties**		
(a) Subsidiaries	—	—
(b) Companies in the same group	—	—
(c) Other related parties	—	—
2. Other than related parties	22640.18	8412.25
<b>Total</b>	22640.18	8412.25

\*\*As per Accounting Standard of ICAI (Please see Note 3)

(7) **Other Information**

Particulars	Amount
(i) Gross Non-Performing Assets	50.00
(a) Related parties	—
(b) Other than related parties	50.00
(ii) Net Non-Performing Assets	—
(a) Related parties	—
(b) Other than related parties	—
(iii) Assets acquired in satisfaction of debt	—

**Notes :**

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.