

WILLIAMSON MAGOR & CO. LIMITED

**ANNUAL REPORT
AND**

ACCOUNTS

2006 - 2007



ESTD. 1868



WILLIAMSON MAGOR & CO. LIMITED

Registered Office :
FOUR MANGO LANE
SURENDRA MOHAN GHOSH SARANI
KOLKATA - 700 001

PROXY

I/We
of being a member/members
of WILLIAMSON MAGOR & CO. LIMITED, hereby appoint
..... of
or failing him of
or failing him of
as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting to be held at the
Williamson Magor Hall of The Bengal Chamber of Commerce and Industry, 6, N. S. Road, Kolkata 700 001 on Tuesday, the 31st
July, 2007 and at any adjournment thereof.

Dated this..... day of2007.

R.F.No./Client ID No. Signature

Affix
Revenue
Stamp

Note : A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote in his
stead. A Proxy need not be a Member of the Company. Proxies, in order to be effective, must be received by
the Company not less than 48 hours before the time for holding the Meeting.



WILLIAMSON MAGOR & CO. LIMITED

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING
HALL. ONLY MEMBERS OR THEIR PROXIES ARE ENTITLED TO BE PRESENT AT THE MEETING.

Name & Address

R.F. No.

Client ID No.

D.P. ID No.

I hereby record my presence at the Annual General Meeting held at The Williamson Magor Hall of the Bengal Chamber of
Commerce and Industry, 6, N. S. Road, Kolkata 700 001 on Tuesday, the 31st July, 2007.

SIGNATURE OF THE SHAREHOLDER/PROXY

Note : Shareholder/Proxy holder desiring to attend the Meeting are requested to bring their copy of the Annual
Report for reference at the Meeting.



WILLIAMSON MAGOR & CO. LIMITED

Registered Office :

Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata 700 001

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Company will be held on Tuesday, 31st July, 2007 at the Williamson Magor Hall of The Bengal Chamber of Commerce and Industry, 6, Netaji Subhas Road, Kolkata 700 001, at 10.30 a.m. to transact the following business :

1. To receive and adopt the Audited Accounts of the Company for the Financial Year ended 31st March, 2007 and the Reports of the Directors and the Auditors thereon.
2. To appoint Directors in the places of Mr. Padam Kumar Khaitan and Dr. R. Srinivasan who retire by rotation and, being eligible, offer themselves for re-appointment.
3. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification, the following resolution.

AS AN ORDINARY RESOLUTION

4. RESOLVED THAT in terms of the provisions of Section 310 of the Companies Act, 1956, read with Schedule XIII to the Act, approval of the members be and is hereby accorded to the variation of the terms of appointment regarding the remuneration payable to Mr. R. S. Jhawar, Wholtime Director of the Company with effect from 1st April 2007 upon the terms and conditions set out in the company's letter dated 18th May 2007 addressed to Mr. R. S. Jhawar copy whereof duly initialled by the Chairman for the purpose of identification is placed before the Meeting.

RESOLVED FURTHER THAT pursuant to the provisions of Section 198 read with Schedule XIII to the Companies Act, 1956 that approval of the Members be and is hereby accorded to the payment of the same remunerations as per terms as set out in the aforesaid letter dated 18th May 2007 to Mr. R. S. Jhawar as minimum remuneration, where in the financial year ending 31st March, 2008 (on which date his present tenure as Wholtime Director expires) the Company has no profit or its profits are inadequate.

By Order of the Board
WILLIAMSON MAGOR & CO. LIMITED
S. PHILIP
Company Secretary

Kolkata, 4th June, 2007

NOTES :

1. **A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his stead. A Proxy need not be a Member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office situated at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata 700 001 not less than forty-eight hours before the Meeting.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24th July, 2007 to 31st July, 2007 (both days inclusive).
3. The information as required to be provided in terms of the Listing Agreement with the Stock Exchanges regarding the Directors who are proposed to be appointed is annexed hereto.
4. (a) Members are hereby informed that Dividends which remain unclaimed/unencashed over a period of 7 years have to be transferred by the Company to Investor Education & Protection Fund (IEPF) constituted by the Central Government under Sections 205A and 205C of the Companies Act, 1956. Further, under the amended provisions of Section 205B of the Companies Act, 1956, no claim shall lie for the unclaimed dividends from IEPF by the Shareholders. The Unclaimed Dividends in respect of the Financial year ended 31st March, 1999 have already been transferred to IEPF as required under Section 205A of the Companies Act, 1956.

5. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his queries to the Company at least seven days prior to the Meeting so that the required information can be made available at the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM No.4

Mr. R. S. Jhawar was appointed the Wholetime Director of the Company for a period of 3 years with effect from 1st April 2005 to 31st March 2008 by the Board of Directors of the Company at its Meeting held on 29th March 2005 at a remuneration and upon the terms and conditions set out in the Company's letter dated 1st April 2005 addressed to Mr. R. S. Jhawar which was subsequently approved by the Shareholders of the Company at its Annual General Meeting held on 31st August 2005 on such terms and conditions as approved by the Members.

The Board of Directors of the Company at its meeting held on 18th May 2007 approved an increase in the Basic Salary payable to Mr. R. S. Jhawar, Wholetime Director of the Company from Rs.1,25,000 p.m. to Rs.1,75,000 p.m. with effect from 1st April 2007 to 31st March 2008 being the remaining period of his tenure as Wholetime Director of the Company subject to the approval of the Members of the Company at its forthcoming Annual General Meeting.

In the event of loss or inadequacy of profits during the remaining period of his tenure of office of Mr. R. S. Jhawar, the remuneration payable to him for that period will be paid in accordance with Part II of Schedule XIII to the Act.

The above remuneration including minimum remuneration has been approved by the Remuneration Committee of the Board at its meeting held on 18th May 2007. The Resolution set out in item No.4 of the convening Notice has to be considered accordingly and the Board recommends its adoption.

A copy of the Company's letter dated 18th May 2007 addressed to Mr. R.S. Jhawar regarding the increase in his remuneration will be available for inspection by the Members at the Registered Office of the Company on any working day prior to the date of the Meeting between 9.30 a.m. and 11.30 a.m. and will also be available at the Meeting.

No Director of the Company other than Mr. Jhawar is concerned or interested in the said resolution.

PARTICULARS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

- | | |
|--|--|
| 1. Name of Director | : MR. PADAM KUMAR KHAITAN |
| Date of Birth | : 24th May 1953 |
| Expertise | : Mr. Padam Kumar Khaitan hails from a renowned family of Lawyers. Mr. Khaitan is one of the Partners of Messrs. Khaitan & Co., Advocates, Notaries, Patent & Trade Mark Attorneys. During his long career of 30 years with Messrs. Khaitan & Co., as a Lawyer, he has in-depth exposure to and achieved considerable experience and expertise in law and legal matters in Corporate, Commercial, Financial, Banking, Taxation, Foreign Collaboration, Foreign Investment, Litigation, Arbitration, Real Property, Ecology & Environment, Labour, Projects, Estates & Trusts and Personal Clientele matters. |
| Qualification | : Attorney-at-Law |
| Directorship held in other Companies (excluding foreign companies) | : Rungamattee Tea & Industries Ltd.
Cheviot Company Ltd.
Cheviot Agro Industries Ltd.
Manjushree Plantations Ltd.
Woodside Parks Ltd.
Kilburn Engineering Ltd.
Khaitan & Co. Consulting Ltd.
Khaitan Consultants Ltd.
R. V. Investment & Dealers Ltd.
Ramakrishna Forgings Ltd.
Power Cell Battery India Ltd.
SCM Investment & Trading Company Ltd.
Sutlej Industries Ltd. |

	Time Leverage Instruments Pvt. Ltd. Dalmia Securities Pvt. Ltd.
Committee position	: Chairman of – Shareholders' Grievance Committee of Manjushree Plantation Ltd. Remuneration Committee of Kilburn Engineering Ltd. Shareholders'/Investors' Grievance Committee of Kilburn Engineering Ltd. Member of – Audit Committee of Manjushree Plantations Ltd. Audit Committee of Williamson Magor & Co. Ltd. Remuneration Committee of Williamson Magor & Co. Ltd.
2. Name of Director	: DR. R. SRINIVASAN
Date of Birth	: 30th May 1931
Expertise	: A renowned expert in banking and finance, Dr. Srinivasan has held very senior position in this field including the Chairmanship of two large nationalized Banks; viz. Bank of India and Allahabad Bank and of the Indian Bank's Association the apex body of the banking industry. He advised various Corporates in the area of Banking, Finance and Capital Market. He has to his credit several publications in national and international media as well as prestigious awards in the area of Banking.
Qualification	: Ph.D (in Banking & Finance from Bombay University), CAIIB, FIB
Directorship held in other Companies (excluding foreign companies)	: Graphite India Limited McLeod Russel India Limited Goldiam International Limited JM Financial Asset Management Private Limited Elder Pharmaceuticals Limited Shalimar Paints Limited Hi-Tech Pharmaceuticals Private Limited Nayamode Solutions Private Limited Solar Explosive Limited XL Telecom & Energy Limited Snowcem Paints Private Limited
Committee position	: Chairman of – McLeod Russel India Limited - Audit Committee Shalimar Paints Limited - Audit Committee Elder Pharmaceuticals Limited - Shareholders' Grievance Committee and Remuneration Committee McLeod Russel India Limited - Remuneration Committee Williamson Magor & Co. Limited - Remuneration Committee XL Telecom & Energy Limited - Audit and Remuneration Committee Member of - Graphite India Limited - Audit and Remuneration Committee Goldiam International Limited - Audit Committee Elder Pharmaceuticals Limited - Audit and Shareholders' Grievance Committee Williamson Magor & Co. Limited - Audit Committee

WILLIAMSON MAGOR & CO. LIMITED**C O N T E N T S**

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WILLIAMSON MAGOR & CO. LIMITED**DIRECTORS**

B. M. KHAITAN - *Chairman*
 DEEPAK KHAITAN - *Vice Chairman*
 A. KHAITAN
 T. R. SWAMINATHAN
 R. S. JHAWAR - *Wholetime Director*
 PADAM KUMAR KHAITAN
 D. K. PAL - *Nominee of ICICI Bank Ltd.*
 G. MOMEN
 DR. R. SRINIVASAN

SECRETARY

S. PHILIP

AUDITORS

LOVELOCK & LEWES
Chartered Accountants

BANKERS

HDFC BANK LTD.
 STANDARD CHARTERED BANK
 UNITED BANK OF INDIA
 ICICI BANK LTD.
 CENTURIAN BANK LTD.
 AMERICAN EXPRESS BANK LTD.

SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

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

WILLIAMSON MAGOR & CO. LIMITED**WILLIAMSON MAGOR GROUP**

WILLIAMSON MAGOR & CO. LTD.	PRINCIPAL ACTIVITIES – NON-BANKING FINANCE & PROPERTY OWNERS
SUBSIDIARIES	WOODSIDE PARKS LIMITED MAJERHAT ESTATES & DEVELOPERS LIMITED D1 WILLIAMSON MAGOR BIO FUEL LIMITED
ASSOCIATES	EVEREADY INDUSTRIES INDIA LIMITED McLEOD RUSSEL INDIA LIMITED ENGINEERING : KILBURN ENGINEERING LIMITED McNALLY BHARAT ENGINEERING CO. LIMITED OTHERS : BABCOCK BORSIG LIMITED METALS CENTRE LIMITED BORELLI TEA HOLDINGS LIMITED (U.K.)

McLEOD RUSSEL INDIA LIMITED

55 Tea Estates, 48 in the State of Assam and 7 in the State of West Bengal as under :

ESTATE	LOCATION
Dekorai, Mijicajan, Monabarie, Pertabghur	Bishnauth, Assam
Behora, Bukhial	Dhunseri, Assam
Baghjan, Bordubi, Koomsong, Phillobari	Doom Dooma, Assam
Bargang, Behali, Boro, Dufflaghur, Halem, Nya Gogra	East Boro, Assam
Hunwal	Jorhat, Assam
Attareekhat, Bhooteachang, Borengajuli, Corramore, Dimakusi, Paneery	Mangaldai, Assam
Bogapani, Dehing, Dirok, Margherita, Namdang	Margherita, Assam
Dirai, Rajmal	Moran, Assam
Addabarie, Harchurah/Nilpur, Phulbari, Rupajuli, Tarajulie, Tezpore & Gogra	Thakurbari, Assam
Dirial, Itakhooli, Keyhung, Mahakali	Tingri, Assam
Bhatpara, Central Dooars, Chuapara	Dooars, West Bengal
Jainti/Chuniajhora, Mathura/Jaibirpara	Dooars, West Bengal
Beesakopie/Daimukhia, Raidang/Hansara, Samdang/Messaijan/Panikhowa	Doom Dooma, Assam

FIVE YEAR FINANCIAL SUMMARY

(Rupees in Lakh)

	2006-07	2005-06	2004-05	2003-04	2002-03
Total Income	4,410.22	5,545.54	9,334.04	1,792.03	953.75
Expenses	1,218.02	1,632.53	4,469.88	3,759.43	9,409.78
Profit/(Loss) Before Taxation	3,192.20	3,913.01	4,864.16	(1,967.40)	(8,456.03)
Taxation - Current	130.00	—	60.00	—	—
- Deferred	—	(8.39)	(57.37)	51.50	13.76
- Fringe Benefit Tax	6.50	7.43	—	—	—
Profit/(Loss) after Taxation	3,055.70	3,913.97	4,861.53	(2,018.90)	(8,469.77)
Exceptional Items					
Provision for Contingencies written back	—	—	—	—	3,250.00
Balance	3,055.70	3,913.97	4,861.53	(2,018.90)	(5,219.79)
Transfer to Statutory Reserve	611.14	782.80	972.30	—	—
Retained Profits/(Loss)	2,444.56	3,131.17	3,889.23	(2,018.90)	(5,219.79)
Funds Employed	29,444.48	20,892.58	18,879.05	21,648.31	22,817.59
Employment of Funds					
Net Block of Fixed Assets	7,258.31	7,400.59	7,573.37	9,005.72	9,193.49
Investments	15,786.24	13,139.32	10,517.83	12,207.82	12,444.47
Net Current Assets	6,399.93	352.67	796.24	422.34	1,037.50
Miscellaneous Expenditure (to the extent not written off)	—	—	—	78.19	156.39
Deferred Tax Liability	—	—	(8.39)	(65.76)	(14.26)

WILLIAMSON MAGOR & CO. LIMITED
**REPORT OF THE DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2007**

The Directors have pleasure in presenting the Annual Report for the Audited Accounts of your Company for the year ended 31st March, 2007.

FINANCIAL RESULTS

	(Rs. in Thousands)	
	2006-2007	2005-2006
Profit before Depreciation and Interest	36,96,94	44,66,26
Less : a) Depreciation	13,47	12,35
b) Interest	4,91,27	5,40,90
Profit before Taxation	31,92,20	39,13,01
Provision for Taxation :		
a) Current Tax	1,30,00	—
b) Deferred Tax	—	(8,39)
c) Fringe Benefit Tax	6,50	7,43
Profit after Taxation	30,55,70	39,13,97
Transfer to Statutory Reserve	6,11,14	7,82,80
	24,44,56	31,31,17
Loss brought forward from previous years	(44,63,24)	(75,94,41)
Balance carried forward to Balance Sheet	(20,18,68)	(44,63,24)

OPERATIONS

During the year under review the total income of your Company was Rs.44.10 crore compared to Rs.55.46 crore (which included an amount of Rs.32.85 crore being provisions for Bad Debts/Advance written back) earned in the previous year. The Company during the year under review earned a profit of Rs.6.06 crore on disposal of some of its investments, dividend income amounted to Rs.16.31 crore and a one time Non-compete Fee of Rs.5.65 crore. The Company was successful in recovering some of the advances which had earlier been provided as non-performing assets and consequently, an amount of Rs.2.73 crore was written back in the Accounts for the year under review. Profit after tax for the year amounted to Rs. 30.56 crore.

DIVIDEND

On account of accumulated losses and for consolidation of the financial position of the Company your Directors regret their inability to recommend any dividend for the year under review.

**FORMATION OF JOINT VENTURE COMPANY
D1 WILLIAMSON MAGOR BIO FUEL LIMITED**

The Company during the year under review entered into a Memorandum of Understanding (MOU) with D1 Oils Trading Limited, a company incorporated in the United Kingdom with a view to form a 50:50 joint venture to facilitate the development of Jatropha oil seeds through contract farming operations for the production, inter alia, of bio-diesel. Bio-diesel is a clean fuel alternative to fossil fuel. It is generally blended with petroleum fuel in advanced countries to operate vehicles and any other diesel run engine. Pursuant to the MOU a new company was formed on 29th July 2006 by the name D1 Williamson Magor Bio Fuel Limited for implementation of the project as outlined in the MOU. Subsequently, a Joint Venture Agreement dated 31st October 2006 was entered into between the Company, D1 Oils Trading Limited and D1 Williamson Magor Bio Fuel Limited for the management and operations of the new Company. The Company together with its Associates had initially subscribed for 5,00,000 equity shares of Rs.10/- each and subsequently during the current year have subscribed for 15,00,000 equity shares of Rs.10/- each of D1 Williamson Magor Bio Fuel Limited. Similarly during the current year 20,00,000 equity shares of Rs.10/- each of D1 Williamson Magor Bio Fuel Limited have been subscribed by D1 Oils Trading Limited U.K. representing 50:50 ownership between the two partners. The plantation activities of the joint venture company has started in full swing and which