

WILLIAMSON MAGOR & CO. LIMITED

Annual Report & Accounts 2022-23



ESTD. 1868



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**CORPORATE INFORMATION**

(CIN: L01132WB1949PLC017715)

BOARD OF DIRECTORS**LAKSHMAN SINGH - CHAIRMAN****CHANDAN MITRA****DEBASISH LAHIRI****REKHA MUKHERJEE**

(Appointed w.e.f. 07.10.2022 & Resigned w.e.f. 04.04.2023)

MADHUMITA SINGH BHASIN

(Appointed w.e.f. 25.04.2023)

JACQUELINE AUDREY MONNIER

(Resigned w.e.f. 29.09.2022)

INDEPENDENT DIRECTORS**LYLA CHERIAN****SADHANA MUKHERJEE**

(Appointed w.e.f. 14.10.2022 & Resigned w.e.f. 11.04.2023)

RAHUL NANDAN SAHAYA

(Resigned w.e.f. 30.08.2022)

NEVILLE ALLEN BETREEN

(Appointed w.e.f. 15.05.2023)

COMPANY SECRETARY**ADITI DAGA**

(Resigned w.e.f. 22.11.2022)

SK JAVED AKHTAR

(Appointed w.e.f. 11.02.2023)

MANAGER & CFO**MADAN LAL AGARWAL**

(Resigned w.e.f. 15.03.2023)

SUDIPTA CHAKRABORTY

(Appointed w.e.f. 29.05.2023)

AUDITORS**V.SINGHI & ASSOCIATES**

Chartered Accountants

SECRETARIAL AUDITORS**MKB & ASSOCIATES**

Company Secretaries

BANKERS**HDFC BANK LTD.****ICICI BANK LTD.****PUNJAB NATIONAL BANK****SHARE TRANSFER AGENTS****MAHESHWARI DATAMATICS PRIVATE LIMITED**

23, R. N. MUKHERJEE ROAD, 5TH FLOOR,

KOLKATA - 700001

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FAX: 033-2248-4787 | E-mail: mdpldc@yahoo.com

REGISTERED OFFICE

FOUR MANGOE LANE

SURENDRA MOHAN GHOSH SARANI, KOLKATA - 700001

TEL: 033-2243-5391, 033-2248-9434

033-2248-9435, 033-2210-1221

FAX: 033-2248-8114, 033-2248-3683

E-mail: administrator@mcleodrussel.com



REPORT OF THE DIRECTORS

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

The Directors present the Annual Report with the Audited Financial Statements of your Company for the year ended 31st March, 2023.

FINANCIAL RESULTS

The Financial Results of the Company for the year ended 31st March 2023 are summarized below :

	(₹ '000)	
	2022-23	2021-22
Revenue from Operations	30,569	2,59,716
Other Income	5,35,179	8,631
Total Revenue	5,65,748	2,68,347
Profit/(Loss) before Finance Costs, Depreciation and Exceptional Items and Taxation	2,33,946	2,46,009
Less: Finance Costs	1,01,829	3,41,544
Less: Depreciation and Amortization Expenses	106	201
Profit/(Loss) before Exceptional Items and Tax	1,32,011	(95,736)
Less: Exceptional Items	-	-
Profit/(Loss) before tax	1,32,011	(95,736)
Tax Expenses		
Current Tax	(11,026)	41,642
Deferred Tax	(28,150)	7,601
Profit/(Loss) for the year	1,71,187	(1,44,979)

OPERATIONS

During the year under review, the total revenue earned by the Company was much higher at Rs. 56.57 crores as against 26.83 crores earned in the previous year, due to increase in other income which includes sale of property. While the finance costs during the year much lower to Rs. 10.18 crores as against Rs. 34.15 crores incurred in the previous year which is mainly due to reduction of interest on Debt Securities to Rs. 9.78 crores as against 32.87 crores incurred in previous year. In view of the above, the net profit of your Company during the year at Rs. 17.11 crores against a loss of Rs. 14.50 crores sustained in the previous year.

ONE-TIME SETTLEMENT WITH ANY BANK OR FINANCIAL INSTITUTION

There was no instance of one-time settlement with any Bank or Financial Institution during the year under review. However, after the closure of the financial year the following settlement was entered:

- The Company and IL&FS Infrastructure Debt Fund ("IDF"), IL&FS Infra Asset Management Limited and others have entered into a settlement agreement dated 5th May, 2023 to amicably settle the disputes inter-alia relating to default in payment obligations of 995 Secured, Redeemable, Non-convertible Debentures (NCDs) of Face Value of Rs 10,00,000/- each.
- The Company and Aditya Birla Finance Limited (ABFL) and others have entered into Terms of Settlement, Master Consent Term and Consent Term dated 7th June, 2023 to amicably settle the disputes with ABFL in the matter inter-alia relating to Compulsorily Convertible Preference Shares (CCPS) of McNally Bharat Engineering Company Limited (MBECL) of Rs. 70 Crores subscribed by ABFL with "Put Option" obligations on the Company.

SHARE CAPITAL

The Authorised Share Capital of your Company as on March 31, 2023, stood at Rs. 25,00,00,000 divided into 2,37,50,000 Equity Shares of Face Value Rs.10/- each and 1,25,000 Preference Shares of Rs. 100/- each. The Issued, Subscribed and the Paid-Up Equity Share Capital of the Company stood at Rs. 10,95,63,600 divided into 1,09,56,360 Equity Shares of Face Value Rs.10/- each. There has been no change in the Share Capital of the Company during the period under review.

DIVIDEND

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

RESERVES

The Board has not transferred any amount to the General Reserve for the year ended 31st March, 2023.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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



DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

During the year under review, the Company does not have any Subsidiaries. However, the Company had two associate companies and one joint venture company as follows:-

- i) Majerhat Estates & Developers Limited - Associate Company
- ii) Williamson Financial Services Limited - Associate Company
- iii) D1 Williamson Magor Bio Fuel Limited - Joint Venture Company

D1 WILLIAMSON MAGOR BIO FUEL LIMITED

The operation of D1 Williamson Magor Bio Fuel Limited (D1WML) being un-economical, D1WML has suspended all its projects in view of which the Company has made provision in its Account against its entire investment in D1WML.

CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

DEPOSIT

The Company neither invited nor accepted any deposit from the public during the financial year 2022-23. No amount on account of principal or interest on deposit from public was outstanding as on the date of the balance sheet.

DEBENTURE AND DEBENTURE TRUSTEES

The Company had allotted 1000 Secured, Redeemable, Non - Convertible Debentures of Rs. 10,00,000/- each at par on 4th October 2018 to the following :

- a) 5 Secured, Redeemable, Freely Transferable, Non - Convertible Debentures with a face value of Rs. 10,00,000/- each on a private placement basis to IL&FS Financial Services Limited and;
- b) 995 Secured, Redeemable, Freely Transferable, Non - Convertible Debentures with a face value of Rs. 10,00,000/- each on a private placement basis to IL&FS Infrastructure Debt Fund.

The Company had appointed a debenture trustee for the aforesaid transaction. The detail of debenture trustee is given below:

Vistra ITCL (India) Limited

The IL&FS Financial Centre, Plot C-22 / G Block, Bandra Kurla Complex, Bandra (East) Mumbai - 400051. Tel: 022-26593535.

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

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

INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT

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

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

The Company has in place a process to inform the Board about the risk assessment and minimization procedures. It has an appropriate Risk Management system in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. Presently, Regulation 21 of the SEBI LODR with respect to Risk Management Committee is not applicable to your Company. Committee of the Board of Directors of the Company monitors and reviews the risks associated with the Company's business operations and manages them effectively in accordance with the risk management system of the Company. However, the Board has constituted Risk Management Committee for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time. As on 31st March, 2023, the Committee comprises of Mr. Debaish Lahiri, Mr. Lakshman Singh and Mr. Chandan Mitra. Mr. Debasish Lahiri is the Chairman of the Committee.

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.



DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement under section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, If any;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis;
- v) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- vi) the Directors had devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD MEETINGS

During the year ended 31st March, 2023, Five Board Meetings were held as follows, the details of which are given in the Corporate Governance Report:

07th April, 2022, 28th May, 2022, 11th August 2022, 14th November 2022 and 11th February 2023.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year, a separate meeting of the Independent Directors was held on 31st March 2023 in terms of requirements of Schedule IV of the Companies Act, 2013, without the attendance of non-independent directors and members of management. The evaluation process prescribed in paragraph VII of Schedule IV to the Act was carried out at the said Meeting.

REPORT ON CORPORATE GOVERNANCE

In terms of requirements of Regulation 34(3) of the Listing Regulations, a Report on Corporate Governance and the Auditors' Certificate regarding Compliance to Corporate Governance requirement are attached as **Annexure II and Annexure III** respectively and form part of this Report.

BOARD EVALUATION

Pursuant to provision of the Act and the Listing Regulation and based on Policy devised by the Nomination and Remuneration Committee (NRC), the formal evaluation of the performance of the Independent Directors, Non - Independent Directors, Chairperson and the Board of Directors as a whole and all Board Committees was carried out by the Board at its meeting held on 11th February, 2023 for the financial year ended 31st March, 2023 in accordance with the relevant provisions of Section 134 of the Act read with the Rule related thereto and Section 178 of the Act and Schedule IV to the Act and also in accordance with the guidance note issued by the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CIR/P/2017/004 dated 5th January, 2017 and the same was found to be satisfactory.

The Board performance was evaluated based on inputs received from all Directors after considering criteria such as Board Composition and structure, effectiveness of Board and information provided to the Board etc.

The performance of the committees was evaluated by the Board of the Directors based on inputs received from all the committee members after considering criteria such as composition and structure of committees, effectiveness of committee meetings etc.

BOARD OF DIRECTORS

The Board of Directors of the Company comprised of 6 Directors as on 31st March 2023 of whom two are Independent Directors including two Woman Directors.

During the year under review, Mr. Rahul Nandan Sahaya (DIN: 00112644), Non-Executive Independent Director resigned from the Board w.e.f. 30th August 2022. Mrs. Jacqueline Audrey Monnier (DIN: 09497868), Non-Executive Director resigned from the Board w.e.f. 29th September, 2022. Mrs. Rekha Mukherjee (DIN: 09663627) was appointed as Non-Executive Director w.e.f. 7th October, 2022 and resigned from the Board w.e.f. 4th April 2023. Mrs. Sadhana Mukherjee (DIN: 09762378) was appointed as Non-Executive Independent Director w.e.f. 14th October, 2022 and resigned from the Board w.e.f. 11th April 2023. Mrs. Madhumita Singh Bhasin (DIN: 10078878) appointed as Non-Executive Director w.e.f. 25th April, 2023 and Mr Neville Allen Betreen (DIN: 09774939) appointed as Non-Executive Independent Director w.e.f. 15th May, 2023. The appointment of the said Directors has been regularized by way of postal ballot notice dated 14th November 2022 and 29th May 2023.

In accordance with provisions of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013 ('the Act'), Ms. Madhumita Singh Bhasin (DIN: 10078878) will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

A certificate of Non-Disqualification of Directors furnished by M/s. Vidhya Baid & Co., Company Secretaries as required under Regulation 34(3) read with Schedule V Para C sub-clause 10(i) of SEBI (LODR) Regulations, 2015 is Annexed as **Annexure IV**.



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

The Board of Directors further confirms that the Independent Directors also meet the criteria of expertise, experience, integrity and proficiency in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

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

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the key managerial personnel of the Company Mrs. Aditi Daga, Company Secretary of the Company resigned w.e.f. 22nd November 2022 and Mr Sk Javed Akhtar appointed as Compliance Officer w.e.f. 5th December 2022 and Company Secretary w.e.f. 11th February, 2023. Mr. Madan Lal Agarwal, Manager and Chief financial Officer resigned w.e.f. 15th March 2023 and Mr. Sudipta Chakraborty appointed as Manager and Chief financial Officer w.e.f. 29th May 2023.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

COMMITTEES OF THE BOARD

As on 31st March 2023, the Board had three committees namely Audit Committee, Nomination and Remuneration Committee and the Stakeholders Relationship Committee. All the Committees consist of optimum number of independent directors.

During the year there was no instances where the Board of Directors of the Company had not accepted any recommendation of the Committees.

A detailed note on the Composition of the Committees is provided in the Corporate Governance Report.

AUDIT COMMITTEE

As on 31st March 2023, the Audit Committee of the Board of Directors of the Company consisted of Mrs. Sadhana Mukherjee and Ms. Lyla Cherian, Non - Executive Independent Directors and Mr. Debasish Lahiri, Non - Executive Non - Independent Director. Mrs. Sadhana Mukherjee is the Chairperson of the Committee.

All Members of the Committee possess strong knowledge of accounting and financial management. The Company Secretary is the Secretary to the Committee. The Internal Auditor reports to the Chairman of the Audit Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee. During the year ended 31st March, 2023 there were no instance where the Board of Directors of the Company had not accepted the recommendations of the Audit Committee.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has in place a vigil mechanism/whistle blower policy the details of which are available on the Company's website www.wmtea.com. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company.

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

The particulars required to be furnished in this regard are given in the terms of reference of the Nomination and Remuneration Committee as specified under Section 178(3) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations as mentioned in the attached Report on Corporate Governance and also in the Remuneration Policy of the Company attached as **Annexure V** to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013 are not disclosed in this Report because they form a part of the notes to the financial statements for the year ended 31st March, 2023 and are accordingly disclosed in such notes forming part of the financial statements of the Company for the said financial year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There were no material significant transaction with the related party made by the Company during the year 2022-23.

Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, therefore, details required to be provided in the prescribed Form AOC - 2 are not applicable to your Company.

The Company has formulated a Related Party Transaction Policy and the same is disclosed on the website of the Company and can be accessed at www.wmtea.com

STATUTORY AUDITORS

M/s V. Singhi & Associates, Chartered Accountants, the Statutory Auditors of the Company have been appointed at the Seventy First Annual General Meeting of the Company held on 20th September, 2022 to hold office till the conclusion of the Seventy Sixth Annual General Meeting of the Company to be held in the year 2027.

STATUTORY AUDIT REPORT

In the Auditors Report dated 29th May, 2023, the Auditors have given Qualified Opinion in relation to the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31 March 2023. The basis for qualified opinion and Board's response in relation to the said opinion are as under:-

Sl. No.	Audit-Qualification	Board's Response
(a)	<p>Non-recognition of Interest Expense</p> <p>The Company has not recognized interest expense amounting to Rs. 4,32,101 Thousand on inter corporate borrowings for the year ended 31st March, 2023 (Rs. 4,43,611 Thousand on inter corporate borrowings for the year ended 31st March, 2022). As a result, finance cost liability on account of interest expense are understated and total comprehensive profit for year ended 31st March, 2023 is overstated to that extent.</p> <p>This constitutes a departure from the requirements of Ind AS 109 "Financial Instruments"</p>	<p>The Company has disagreement with lenders regarding the Steep interest rates hence nothing is provided nor paid by the company.</p> <p>As the matter is under dispute, the Board of Directors has decided not to recognize interest expense on its borrowings for the current period in the Audited Financial Results as the same is unascertainable at present.</p> <p>Further the company has entered into settlement process with IL& FS after the closure of the financial year.</p>
(b)	<p>Default in repayment of principal and interest</p> <p>The auditor drawn attention to Note Nos. 15, 16, 48 and 51 of the Standalone Financial Statements with respect to default in repayment of principal and payment of interest on Non-Convertible Debentures and loans from Financial Institution and other Lenders. On default, the credit facility advanced to the Company by the lenders have henceforth been recalled. Further, the lenders have taken legal action against the Company and the matter is subjudice.</p> <p>Moreover, security provided by the Company by way of pledge of certain securities with the Debenture Trustee against issue of above Debentures have been invoked and disposed of by the Debentures Trustee. The Management has ascertained and decided to adjust disposal proceeds from the outstanding value of the debentures and estimated interest as per the repayment schedule.</p> <p>These events and conditions may cast a significant doubt on the Company's ability to continue as a going concern.</p>	<p>The company and IL&FS Infrastructure Debt Fund (IDF) and IL&FS Infra Asset Management Limited have entered into a settlement agreement dated 05th May, 2023 for settlement of Debt.</p> <p>The Company would be doing debt-restructuring, whereby the Company hopes to improve its financial position and would continue as a going concern.</p>
(c)	<p>Recognition of Deferred Tax Assets</p> <p>The auditor drawn attention to Note No 31 of the Standalone Financial Statements where the Management has considered recognition of deferred tax assets during the current financial year assuming virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such assets can be realised.</p> <p>Considering the management's assessment of going concern assumption in the Standalone Financial Statements, the condition of reasonable certainty for recognizing the deferred tax assets as per Ind AS 12 "Income Taxes" has not been met. Consequently, deferred tax assets are overstated and total comprehensive profit for the year ended 31st March, 2023 is overstated to that extent.</p>	<p>The Company is taking all measure to recuperate by interalia, recovering its loans and Interest from its borrower and achieve to the extent possible the reversal of the NPA and entering into One Time Settlements (OTS) with its lenders and generally improving its business conditions etc.</p> <p>Once the business revives, the company would be having sufficient profits against which it would be able to utilize the deferred tax assets.</p>
(d)	<p>Balances of receivables, unsecured and secured loan creditors and their balance confirmations.</p> <p>The auditor drawn attention to Note No. 33 to the Standalone Financial Statements with respect to certain balances, relating to trade and other receivables and liabilities including those payable to loan creditors lacking reconciliation and confirmation. Adjustments / impact in this respect are currently not ascertainable and as such cannot be commented by us.</p>	<p>Certain Balances relating to Loans, Advances and Borrowings are subject to reconciliation and confirmation from parties, impact whereof is not ascertainable at present. The dispute is there with regards to waiver /reduction of Interest hence it is not quantifiable at this point of time.</p> <p>However, the company has plans to undertake full fledged debt-restructuring and therefore the lender would give balance confirmation after final determination of the residual borrowing amount and interest waiver amount.</p>
(e)	<p>Material uncertainty related to Going Concern</p> <p>During the year, the Company has defaulted in repayment of borrowings to its financial institution lenders. In the view of the Management, the Company would be able to improve its net working capital position to discharge its current and non-current financial obligations as described in Note No. 47 to the Standalone Financial Statement. However, in view of the uncertainties involved, these events and conditions indicate a material uncertainty which may cast a significant doubt on the Company's ability to continue as a going concern. Accordingly, the use of going concern assumption of accounting in preparation of this Statement is not adequately and appropriately supported as per the requirements of Indian Accounting Standard 1 "Presentation of Standalone Financial Statements".</p>	<p>The company is taking all measures to recover its loans from its Borrowers and entering into One Time Settlement (OTS) with its lenders. The company has already entered into settlement with IL& FS post the closure of accounts. Under such circumstances the company is assured to improve its working and therefore the Going Concern status of the company is not believed to be compromised at this point of time.</p>



SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Messrs. MKB & Associates, Company Secretaries to conduct the Secretarial Audit of the Company for the year ended 31st March 2023. The Secretarial Auditors' Report is attached to this Report as **Annexure VI** and forms part of the Directors' Report.

There are certain qualifications or reservations or adverse remarks made by the Secretarial Auditors in their Report and the response of the Company to the same is as under:-

- a. as on 31st March, 2023, Mr. Lakshman Singh, Mr. Chandan Mitra, Mr. Debashish Lahiri and Ms. Lyla Cherian, the directors of the Company have been disqualified to become directors under Section 164(2)(b) of the Companies Act, 2013.

We would like to state that that Company had failed to redeem its Non-convertible Debentures (NCDs) on due date being 30th September, 2021 and the period of one year expired on 30th September, 2022. Accordingly, Mr. Lakshman Singh, Mr. Chandan Mitra, Mr. Debashish Lahiri and Ms. Lyla Cherian, the directors of the Company have been disqualified to become directors under Section 164(2)(b) of the Companies Act, 2013. However, after the closure of the financial year a settlement agreement dated 5th May, 2023 was entered between the Company and IL&FS Infrastructure Debt Fund, IL&FS Infra Asset Management Limited and others.

- b. Mrs. Sadhana Mukherjee, the independent director of the Company have not been enrolled with the Independent Directors Data Bank created by Ministry of Corporate Affairs as required under Companies (Appointment & Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 .

We would like to state that due to unavoidable circumstances and technical issue / difficulty faced with MCA website, Mrs. Sadhana Mukherjee, the independent director of the Company could not be enrolled with the Independent Directors Data Bank created by Ministry of Corporate Affairs.

FRAUD REPORTING BY AUDITORS

During the year under review, no instances of fraud has been reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report neither by the Statutory Auditors nor the Secretarial Auditors.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an Audit of all the applicable compliances as per the SEBI Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report issued by a Practising Company Secretary (PCS) has been submitted to the Stock Exchanges within the stipulated time pursuant to regulation 24A of SEBI (LODR) Regulations, 2015.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 the Annual Return as on March 31, 2023 is available on the Company's website on Form_MGT_7_2022-23.pdf (www.wmtea.com)

CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135(5) of the Companies Act, 2013, certain class of companies are required to spend at least 2% of Average Net Profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. Although your Company had a Net profit of Rs. 17.11 Crores but there was no Average Net Profit during the above period computed in terms of Section 198 of the Act, and hence the Company was not required to make expenditure in CSR Activities. A report on CSR activities voluntarily undertaken by the Company during the year is attached as **Annexure VII**.

The Company however, has constituted a CSR Committee and adopted a CSR Policy which can be accessed at www.wmtea.com. The Corporate Social Responsibility Committee of the Board as on 31st March, 2023 consisted of 3 Directors, namely, Mrs. Sadhana Mukherjee and Ms. Lyla Cherian, Non - Executive Independent Directors and Mr. Debasish Lahiri, Non - Executive Non - Independent Director. Mrs. Sadhana Mukherjee is the Chairperson of the Committee.

PARTICULARS OF EMPLOYEES

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



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

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

PREVENTION OF INSIDER TRADING

Your Company has adopted and implemented a Code of Conduct for Prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors, employees and other designated persons, who could have access to unpublished price sensitive information of the Company are governed by this code.

The trading window regarding dealing with equity shares of the Company is duly closed during declaration of financial results and occurrence of any other material event as per the code. During the year under review there has been due compliance with the code.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no significant or material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

However, in the matter of Arbitration proceedings between Aditya Birla Finance Limited (ABFL) vs McNally Bharat Engineering Company Limited (MBECL) and others, the Sole Arbitrator, passed an Interim Award on 30 June 2020 upon the Company to perform its obligations under the Put Option Agreement dated 24 March 2018. The Company had filed an application for setting aside the award which was subsequently withdrawn as the disputes between the parties was settled.

Further, the Hon'ble High Court at Calcutta vide judgment and order dated 26 February 2021 in I.A. G.A. 1 of 2019 (T.A. No. 12 of 2019/G.A. 2174 of 2019) with C.S. No. 177 of 2019 in IL & FS Financial Services v/s Aditya Khaitan & Ors., has, inter alia, restrained the Company from transferring, alienating or encumbering any of its assets till the disposal of the suit. However, the commercial suit is presently pending before the High Court. An application was filed to allow filing of the written statement beyond time but the same was rejected. Against the order of rejection, the Company has preferred an appeal before the Supreme Court of India which is presently pending adjudication.

The Hon'ble High Court of Delhi at New Delhi vide its ex-parte, interim order in O.M.P.(I) (COMM.) 459/2019 dated 13th December, 2019 in KKR India Financial Services Private Limited & Anr. Vs. Williamson Magor & Co. Limited & Ors., has, inter-alia, restrained the Company from selling, transferring, alienating, disposing, assigning, dealing or encumbering or creating third party rights on their assets. As of date, the said order stands confirmed in appeal. Arbitration proceedings under the aegis of ICC has been initiated by KKR India Financial Services Private Limited and the matter is currently pending.

Further, an application under section 9 of Arbitration & Conciliation Act filed by Kotak Mahindra Bank Ltd., an order of injunction has been passed by the Hon'ble Bombay High Court, inter alia, restraining the Company from transferring any of its immovable properties or assets otherwise than in the ordinary and usual course of business. The same order also directed the Company to make a deposit of Rs 14.88 crores with the Court. The Bank had filed a Section 11 Application seeking appointment of Arbitrator. By order dated 17 July 2023, the Hon'ble Bombay High Court appointed an arbitrator as the nominee of the Company.

The Company has received the Notice No. KOL.DOS.RSG. NO. S949/03.03.008/2022-23 dated July 04, 2022 from the Reserve Bank of India (RBI) for surrender of original certificate of Registration pursuant to an order dated June 29, 2022 passed by RBI for cancellation of certificate of Registration No. N.05.05534 dated March 31, 2003 issued to the Company for Non-Banking Financial Company under Section 45-IA(6) of the Reserve Bank of India Act, 1934. In this regard the company filed an appeal before the Appellate Authority for NBFC, Ministry of Finance against the said order which was rejected vide order dated May 04, 2023.

The Company is in process to file writ petition in the Hon'ble High Court of Calcutta against the rejection order of appellate authority.

Members' attention is also invited to Notes on Contingent Liabilities, in the notes forming part of the Financial Statements.

Since the Financial Year 2018-19 the Company's economic health declined due to a great portion of its Loan Assets turning into Non Performing Assets ('NPA') as per the norms of the RBI. Further, the Company had provided security in respect of the borrowing of some of its Group Companies ('the Borrowers') by pledging a lot of the Company's investments in Shares in companies ('the Shares'). As the Borrowers defaulted, the Lenders invoked the pledge by disposing of the Shares at any price they fetched. This ultimately affected the financials of the Company on account of loss of revenue from those investments and cast adverse effect on its Net Owned Fund. The fixed overhead expenses added to the negative value of the Net Owned Fund.

The Company is taking all measures to recuperate by, inter alia, recovering its loans with interests (so long remaining unrecoverable) from its Borrowers and achieve to the maximum extent possible (if not fully) the reversal of the NPA by means of, entering into One Time Settlements (OTS) with its Lenders and thereby reducing the interest liability and generally improving its business conditions, etc. Under such circumstances, the Company is self-assured to improve its workings. In the opinion of the Board, the Company's going concern status is not believed to be threatened at this stage.