

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2007

1. Your Directors hereby submit their Report and Accounts for the financial year ended 31st March, 2007.

2. COMPANY PERFORMANCE

The overall performance of the Company has been good despite increase in volatility in the interest rates. The Company continues to pursue its conservative risk management policy and there was no change in the Company's strategic direction during the year under review.

The financial results, summarised, are as under :

	Rs.
a. Profit Before Tax	35,42,17,652
b. Less : Provision for Income Tax (including Fringe Benefit Tax)	<u>6,02,69,160</u>
c. Profit After Tax	29,39,48,492
d. Add : Profit brought forward from previous year	<u>47,43,90,466</u>
e. Surplus available for Appropriation	76,83,38,958
f. Less : Transferred to Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	<u>5,87,89,698</u>
g. Balance carried forward	<u>70,95,49,260</u>

3. DIRECTORS

Mr. Jagdish Singh resigned as Director of the Company with effect from 15th May, 2007. Your Directors would like to record their appreciation of the services rendered by Mr. Singh.

In accordance with the provisions of Article 143 of the Articles of Association of the Company, Messrs Biswa Behari Chatterjee and Krishnamoorthy Vaidyanath will retire by rotation at the ensuing Annual General Meeting of the Company, and being eligible, offer themselves for re-election. Your Board of Directors has recommended their re-election.

4. RE-APPOINTMENT OF MANAGER UNDER SECTION 269 OF THE COMPANIES ACT, 1956

Mr. Sharad Jain was re-appointed as Manager of the Company by the Board of Directors for a period of two years with effect from 1st July, 2007, subject to the approval of the Members of the Company at the next General Meeting. Appropriate resolution seeking your approval to his re-appointment as Manager is appearing in the Notice convening the ensuing Annual General Meeting of the Company.

5. DIRECTORS' RESPONSIBILITY STATEMENT

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm having :

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards and there are no material departures;
- selected such accounting policies and applied them consistently and made judgements 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 of the Company for that period;
- 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; and
- prepared the Annual Accounts on a going concern basis.

6. INVESTMENT IN VST INDUSTRIES LIMITED

As stated in the Report of the Directors of the previous years, a petition was filed by an individual in the High Court at Calcutta, seeking an injunction against the Company's Counter Offer to the shareholders of VST Industries Limited, made in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997, as a competitive bid, pursuant to a Public Offer made by an Acquirer, which closed on 13th June, 2001.

The High Court at Calcutta, while refusing to grant such an injunction, instructed that the acquisition of shares pursuant to the Counter Offer by the Company and the other Acquirer would be subject to the final Order of the High Court, which is still awaited. Similar petitions filed by an individual and two shareholders, in the High Court of Delhi at New Delhi and High Court of Judicature of Andhra Pradesh at Hyderabad, had earlier been dismissed by the respective High Courts.

7. NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007 ('NBFC REGULATIONS')

In terms of paragraph 13 of the NBFC Regulations, the particulars as applicable to the Company, are appended to the Balance Sheet.

8. SUBSIDIARIES

Particulars as required under Section 212 of the Companies Act, 1956, in respect of the Company's subsidiaries namely Greenacre Holdings Limited, Wimco Limited, Wimco Boards Limited, Wimco Seedlings Limited, Pavan Poplar Limited and Prag Agro Farm Limited have been attached to the accounts of the Company.

During the year the Company, in accordance with the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003, acquired further equity shares, in Wimco Ltd. (Wimco) tendered by the remaining shareholders of Wimco till 13th June, 2006. The shareholding of the Company in Wimco stood at 94.25% as at 31st March, 2007.

9. PARTICULARS OF EMPLOYEES

None of the employees are covered by the provisions contained in Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

10. AUDITORS

The Auditors, Messrs. S.B. Billimoria & Co., Chartered Accountants, retire at the ensuing Annual General Meeting of the Company, and being eligible, offer themselves for re-appointment.

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

Considering the nature of business of the Company, no comment is required on conservation of energy and technology absorption.

During the year under review, there has been no foreign exchange earnings. The utilisation of foreign exchange was Rs. 3,95,250 (previous year Rs. 48,09,162).

15th May, 2007

Virginia House
37, J. L. Nehru Road
Kolkata - 700 071

On behalf of the Board

R. Tandon *Director*
S. Dutta *Director*

AUDITORS' REPORT TO THE MEMBERS OF RUSSELL CREDIT LIMITED

- We have audited the attached Balance Sheet of **Russell Credit Limited** as at 31st March, 2007, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
- Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - in our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;

- in our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - in the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2007;
 - in the case of the profit and loss account, of the profit for the year ended on that date; and
 - in the case of the cash flow statement, of the cash flows for the year ended on that date.
- On the basis of written explanations received from the Directors as on 31st March, 2007 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2007 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For S. B. Billimoria & Co.
Chartered Accountants

Kolkata
15th May, 2007

K. Rajasekhar
Partner
Membership No.: 23341

ANNEXURE TO THE AUDITORS' REPORT TO THE MEMBERS OF RUSSELL CREDIT LIMITED

[Referred to in paragraph 3 thereof]

The nature of the Company's business / activities during the year ended 31st March, 2007 was such that paragraphs 4(ii), (vi), (viii), (xi), (xii), (xiii), (xv), (xvi), (xviii), (xix) and (xx) of the Companies (Auditor's Report) Order 2003 are not applicable.

- (i) In respect of its fixed assets :
- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year at reasonable intervals having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory are noticed.
- (c) None of the fixed assets was disposed off during the year.
- (ii) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted any loans, secured or unsecured, to parties listed in Register maintained under Section 301 of the Companies Act, 1956, paragraphs (iii)(b), (c) and (d) of the Order are not applicable.
- (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As the Company has not taken any loans, secured or unsecured, from parties listed in the Register maintained under Section 301 of the Companies Act, 1956, paragraphs (iii)(f) and (g) of the Order, are not applicable.
- (iii) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of fixed assets. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system.
- (iv) (a) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956.
- (b) In our opinion and according to the information and explanations given to us, as there are no contracts or arrangements that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956, paragraph (v)(b) of the Order is not applicable.
- (v) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (vi) In respect of statutory dues :
- (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues, including income tax, sales tax, custom duty, cess and any other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, custom duty and cess were in arrears as at 31st March, 2007 for a period of more than six months from the date they became payable.
- (c) As at 31st March, 2007, according to the records of the Company and the information and the explanations given to us, the following are the particulars of dues on account of income tax, sales tax, custom duty and cess that have not been deposited on account of any dispute :

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where pending
Tamil Nadu General Sales Tax Act & Central Sales Tax Act	Sales Tax	3,96,900	2003-04	Appellate Assistant Commissioner
The Central Sales Tax Act	Sales Tax	10,53,273	2005-06	Directorate of Commercial Taxes
Income Tax Act, 1961	Income Tax	16,35,171	2003-04	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3,86,481	2004-05	Commissioner of Income Tax (Appeals)

Out of the above, Rs. 3,96,900 has been stayed for recovery by the relevant authorities.

- (vii) The Company does not have accumulated losses as at 31st March, 2007 and has not incurred cash losses during the financial year covered by our audit or the immediately preceding financial year.
- (viii) Based on our examination of the records and evaluation of the related internal controls, the Company has maintained proper records of transactions and contracts in respect of its dealing in shares and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name, except to the extent of the exemption granted under Section 49 of the Companies Act, 1956.
- (ix) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investment.
- (x) The Company has not raised any money by public issue during the year.
- (xi) According to the information and explanations given to us, during the year, no fraud on or by the company was noticed or reported.

For S. B. Billimoria & Co.
Chartered Accountants

K. Rajasekhar
Partner

Membership No.: 23341

Kolkata
15th May, 2007

BALANCE SHEET AS AT 31ST MARCH, 2007

	Schedule	(Rs.)	31st March, 2007 (Rs.)	(Rs.)	31st March, 2006 (Rs.)
I. SOURCES OF FUNDS					
1. Shareholders' Funds					
a) Share Capital	1	646,47,87,370		646,47,87,370	
b) Reserves and Surplus	2	100,04,02,020	746,51,89,390	70,64,23,660	717,12,11,030
2. Deferred Tax Liability - Net	12(10)		23,91,920		21,19,214
Total			746,75,81,310		717,33,30,244
II. APPLICATION OF FUNDS					
1. Fixed Assets	3				
a) Gross Block		5,67,55,197		5,67,10,026	
b) Less : Depreciation		2,90,95,782	2,76,59,415	2,67,20,755	2,99,89,271
2. Investments	4		272,86,65,371		270,49,07,600
3. Current Assets, Loans & Advances	5				
a) Current Assets		468,98,90,984		441,69,57,958	
b) Loans and Advances		40,92,43,207		34,93,05,932	
		509,91,34,191		476,62,63,890	
4. Less : Current Liabilities and Provisions	6	38,78,77,667		32,78,30,517	
Net Current Assets			471,12,56,524		443,84,33,373
Total			746,75,81,310		717,33,30,244
Notes to Accounts	12				
Significant Accounting Policies	13				

The Schedules referred to above form an integral part of the Balance Sheet.

As per our Report of even date attached.

For S. B. Billimoria & Co.
Chartered Accountants

K. Rajasekhar
Partner

Kolkata, 15th May, 2007

On behalf of the Board

R. Tandon Director
S. Dutta Director
S. Jain Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

	Schedule	For the year ended 31st March, 2007		For the year ended 31st March, 2006	
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
I. INCOME					
Interest			12,26,82,629		12,14,13,625
Dividend			18,36,23,355		15,08,61,773
Brokerage			3,89,57,895		5,61,93,421
Profit on Sale of Stock-in-Trade (Net)	7		43,31,025		—
Lease and Other Rentals			76,39,800		55,14,600
Other Income			29,90,273		39,77,290
			<u>36,02,24,977</u>		<u>33,79,60,709</u>
II. EXPENDITURE					
Payments to and Provisions for Employees	8		23,29,988		16,78,533
Financial Charges and Operating Expenses	9		2,44,561		1,85,641
Establishment and Other Expenses	10		10,57,749		8,63,176
Loss on Sale of Stock-in-Trade (Net)	7		—		8,94,971
Depreciation	3		23,75,027		21,50,504
			<u>60,07,325</u>		<u>57,72,825</u>
III. PROFIT					
Profit before Taxation			35,42,17,652		33,21,87,884
Provision for Taxation					
Current Tax		6,00,00,000		6,10,00,000	
Deferred Tax		<u>2,57,552</u>	6,02,57,552	<u>3,64,236</u>	6,13,64,236
Provision for Fringe Benefit Tax			11,608		6,600
Profit after Taxation			29,39,48,492		27,08,17,048
Profit brought forward (Refer Schedule 2)			47,43,90,466		25,77,06,959
Available for appropriations			<u>76,83,38,958</u>		<u>52,85,24,007</u>
IV. APPROPRIATIONS					
Special Reserve u/s 45-IC of the RBI Act, 1934 (Refer to Note 11 of Schedule 12)			5,87,89,698		5,41,63,409
Profit carried forward			<u>70,95,49,260</u>		<u>47,43,60,598</u>
			<u>76,83,38,958</u>		<u>52,85,24,007</u>
Earnings Per Share (Face Value Rs. 10.00 each) (Basic & Diluted)	12(9)		0.45		0.42
Notes to Accounts	12				
Significant Accounting Policies	13				

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our Report of even date attached.

For S. B. Billimoria & Co.

Chartered Accountants

K. Rajasekhar

Partner

Kolkata, 15th May, 2007

On behalf of the Board

R. Tandon Director

S. Dutta Director

S. Jain Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007

	For the year ended		For the year ended	
	31st March, 2007 (Rs.)	31st March, 2006 (Rs.)	31st March, 2007 (Rs.)	31st March, 2006 (Rs.)
A. NET PROFIT BEFORE TAX	35,42,17,652	33,21,87,884		
ADJUSTMENTS FOR :				
Depreciation	23,75,027	21,50,504		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	35,65,92,679	33,43,38,388		
ADJUSTMENTS FOR :				
Trade and Other Receivables	28,31,982	(63,49,708)		
Stock-in-Trade	(77,59,79,690)	87,09,07,280		
Trade Payables	80,564	(37,52,672)		
CASH GENERATED FROM OPERATIONS	(41,64,74,465)	119,51,43,288		
Income Tax Paid (Including Fringe Benefit Tax)	(5,99,38,043)	(6,14,08,337)		
NET CASH FROM OPERATING ACTIVITIES	(47,64,12,508)	113,37,34,951		
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(45,171)	(66,38,333)		
Purchase of Long Term Investments	(2,37,57,771)	(61,39,91,455)		
NET CASH USED IN INVESTING ACTIVITIES	(2,38,02,942)	(62,06,29,788)		
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Net Increase / (Decrease) in Short Term Loans	—	(1,03,62,157)		
Intercompany Loans Received	19,45,00,000	—		
Intercompany Loans Repaid	(19,45,00,000)	—		
Intercompany Loans given to Associates	(208,17,50,000)	(192,36,00,000)		
Intercompany Loans Repaid by Associates	208,17,50,000	192,36,00,000		
NET CASH FLOW USED IN FINANCING ACTIVITIES	—	(1,03,62,157)		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(50,02,15,450)	50,27,43,006		
OPENING CASH AND CASH EQUIVALENTS	50,31,85,999	4,42,993		
CLOSING CASH AND CASH EQUIVALENTS	29,70,549	50,31,85,999		

As per our Report of even date attached.

For S. B. Billimoria & Co.

Chartered Accountants

K. Rajasekhar

Partner

Kolkata, 15th May, 2007

On behalf of the Board

R. Tandon Director

S. Dutta Director

S. Jain Secretary

SCHEDULES TO THE ACCOUNTS

1. SHARE CAPITAL

	As at 31st March, 2007 (Rs.)	As at 31st March, 2006 (Rs.)
Authorised :		
70,00,00,000 Equity Shares of Rs. 10/- each	<u>700,00,00,000</u>	<u>700,00,00,000</u>
	<u>700,00,00,000</u>	<u>700,00,00,000</u>
Issued, Subscribed and Paid up :		
59,74,54,177 Equity Shares of Rs. 10/- each, fully paid up (of the above 59,74,04,170 Equity Shares allotted for consideration other than cash pursuant to a Scheme of Amalgamation)	597,45,41,770	597,45,41,770
7,54,22,400 Equity Shares of Rs. 10/- each, Rs. 6.50 per share paid up (Equity Shares allotted for consideration other than cash pursuant to a Scheme of Amalgamation)	<u>49,02,45,600</u>	<u>49,02,45,600</u>
	<u>646,47,87,370</u>	<u>646,47,87,370</u>

(All the shares are held by the Holding Company, ITC Limited)

2. RESERVES AND SURPLUS

	As at 31st March, 2007 (Rs.)	As at 31st March, 2006 (Rs.)
Special Reserve u/s 45-IC of the RBI Act, 1934		
At the commencement of the year	20,32,95,617	14,91,32,208
Add: Transferred from Profit and Loss Account	<u>5,87,89,698</u>	<u>5,41,63,409</u>
	26,20,85,315	20,32,95,617
Capital Reserve	2,87,67,445	2,87,67,445
Profit and Loss Account		
At the commencement of the year	47,43,60,598	25,77,06,959
Add : Adjustment consequent to recomputation as on 01.04.2006 of liability for defined plans in accordance with the provisions of AS-15 (Revised) : Employee Benefits (Net of Deferred Tax - Rs. 15,154)	29,868	—
Adjusted balance as at 01.04.2006	<u>47,43,90,466</u>	<u>25,77,06,959</u>
Add : Profit for the year retained	<u>23,51,58,794</u>	<u>21,66,53,639</u>
	70,95,49,260	47,43,60,598
	<u>1,00,04,02,020</u>	<u>70,64,23,660</u>

3. FIXED ASSETS

PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BOOK VALUE
	As at 1st April, 2006 (Rs.)	Additions during the year (Rs.)	As at 31st March, 2007 (Rs.)	Up to 31st March, 2006 (Rs.)	For the year (Rs.)	Up to 31st March, 2007 (Rs.)	As at 31st March, 2007 (Rs.)
Plant & Machinery*	5,67,10,026	45,171	5,67,55,197	2,67,20,755	23,75,027	2,90,95,782	2,76,59,415
TOTAL	5,67,10,026	45,171	5,67,55,197	2,67,20,755	23,75,027	2,90,95,782	2,76,59,415
Previous Year	4,96,25,493	70,84,533	5,67,10,026	2,45,70,251	21,50,504	2,67,20,755	2,99,89,271

* Includes assets given on operating leases, which are not non-cancellable and are usually renewable by mutual consent on mutually agreeable terms. The Gross Value of such assets is Rs. 3,46,00,503 (2006 - Rs. 3,45,55,332) and Accumulated Depreciation Rs. 69,41,088 (2006 - Rs. 45,66,061). Depreciation for the year charged to Profit and Loss Account is Rs. 23,75,027 (2006 - Rs. 21,50,504). The aggregate lease rental of Rs. 46,39,800 (2006 - Rs. 40,26,600) is included in Lease and Other Rentals in the Profit and Loss Account.

4. INVESTMENTS

LONG TERM	As at 31st March, 2007 Number	Value (Rs.)	As at 31st March, 2006 Number	Value (Rs.)
A. UNQUOTED				
SUBSIDIARY COMPANIES				
Equity Shares of Rs. 10/- each, of Greenacre Holdings Limited, fully paid up	3,30,60,166	33,10,33,674	3,30,60,166	33,10,33,674
Equity Shares of Re. 1/- each, of Wimco Limited, fully paid up	4,90,08,170	52,52,65,126	4,86,10,226	50,15,07,355
0.05% Redeemable Cumulative Preference Shares of Rs. 100/- each of Wimco Limited, fully paid up	52,00,000	8,75,00,000	52,00,000	8,75,00,000
0.05% Redeemable Cumulative Preference Shares of Rs. 100/- each of Wimco Boards Limited, fully paid up	41,00,000	2,50,00,000	41,00,000	2,50,00,000
TRADE INVESTMENTS				
Equity Shares of Rs. 10/- each, of Newdeal Finance and Investment Limited, fully paid up	28,81,200	2,88,13,440	28,81,200	2,88,13,440
Equity Shares of Rs. 10/- each, of Megatop Financial Services and Leasing Limited, fully paid up	31,16,400	3,11,65,440	31,16,400	3,11,65,440
Equity Shares of Rs. 10/- each, of Peninsular Investments Limited, fully paid up	40,64,875	4,06,51,738	40,64,875	4,06,51,738
Equity Shares of Rs. 10/- each, of Russell Investments Limited, fully paid up	42,75,435	4,27,56,850	42,75,435	4,27,56,850
Equity Shares of Rs. 10/- each, of Minota Aquatech Limited, fully paid up	14,80,000	14,80,000	14,80,000	14,80,000
Equity Shares of Rs. 10/- each, of Classic Infrastructure & Development Limited, fully paid up	37,50,000	3,76,88,280	37,50,000	3,76,88,280
Balance carried forward		<u>115,13,54,548</u>		<u>112,75,96,777</u>

SCHEDULES TO THE ACCOUNTS (Contd.)

4. INVESTMENTS (contd.)

LONG TERM	As at 31st March, 2007		As at 31st March, 2006	
	Number	Value (Rs.)	Number	Value (Rs.)
Balance carried forward		115,13,54,548		112,75,96,777
OTHER INVESTMENTS				
Class 'G' Shares of Rs. 48,000/- each, of Lotus Court Pvt. Ltd., fully paid up	2	2,34,00,000	2	2,34,00,000
Equity Shares of Rs. 100/- each, of Adyar Property Holding Co. Ltd., Rs. 65/- per share, paid up	311	43,86,50,000	311	43,86,50,000
		<u>161,34,04,548</u>		<u>158,96,46,777</u>
B. QUOTED				
TRADE INVESTMENTS				
Equity Shares of Rs. 10/- each, of International Travel House Limited, fully paid up	36,26,633	21,21,58,031	36,26,633	21,21,58,031
Equity Shares of Rs. 10/- each, of Agro Tech Foods Limited, fully paid up	40,85,800	53,72,82,700	40,85,800	53,72,82,700
Equity Shares of Rs. 10/- each, of VST Industries Limited, fully paid up	22,02,417	36,58,20,092	22,02,417	36,58,20,092
		<u>111,52,60,823</u>		<u>111,52,60,823</u>
Total (A+B)		<u>272,86,65,371</u>		<u>270,49,07,600</u>

Market Value of Quoted Investments : Rs. 158,91,93,509 (2006 – Rs. 210,84,23,484)

5. CURRENT ASSETS, LOANS AND ADVANCES

A. CURRENT ASSETS	As at 31st March, 2007		As at 31st March, 2006	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Stock-in-Trade (Schedule – 11)	467,67,76,725	467,67,76,725	390,07,97,035	390,07,97,035
Sundry Debtors (Unsecured - Considered Good)				
– Debts outstanding for a period exceeding six months	4,83,585		—	
– Others	96,36,625		1,17,80,191	
		1,01,20,210		1,17,80,191
Cash and Bank Balances				
Cash on hand	416		—	
Cheques in hand	—		2,80,967	
Balance with Scheduled Banks				
– On Current Accounts	29,70,133		29,05,032	
– On Deposit Account	—		50,00,00,000	
		29,70,549		50,31,85,999
Other Current Assets (Unsecured - Considered Good)				
Deposits	23,500		23,500	
Interest Receivable	—		11,71,233	
		23,500		11,94,733
Total		<u>468,98,90,984</u>		<u>441,69,57,958</u>
B. LOANS AND ADVANCES				
(Unsecured, Considered Good)				
Advances recoverable in cash or kind or for value to be received	3,60,839		3,61,607	
Advances Payment of Tax				
– Income Tax	40,88,58,479		34,89,34,236	
– Fringe Benefit Tax	23,889		10,089	
		40,92,43,207		34,93,05,932
Total		<u>40,92,43,207</u>		<u>34,93,05,932</u>

6. CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES	As at	As at
	31st March, 2007 (Rs.)	31st March, 2006 (Rs.)
Sundry Creditors	8,40,865	8,37,968
– Total Outstanding dues of Creditors other than Small Scale Industrial Undertaking(s)		
Other Liabilities	41,62,534	45,29,736
	<u>50,03,399</u>	<u>53,67,704</u>
PROVISIONS		
Provision for Long Term Employee Benefits	9,56,977	5,57,130
Provision for Tax		
– Income Tax	38,18,99,083	32,18,99,083
– Fringe Benefit Tax	18,208	6,600
	<u>38,28,74,268</u>	<u>32,24,62,813</u>
	<u>38,78,77,667</u>	<u>32,78,30,517</u>

7. PROFIT/ (LOSS) ON SALE OF STOCK-IN-TRADE (NET)

	As at	As at
	31st March, 2007 (Rs.)	31st March, 2006 (Rs.)
Sales	2422,13,53,158	2959,58,59,623
Less : Purchases	2499,30,01,823	2872,58,47,314
	<u>(77,16,48,665)</u>	<u>87,00,12,309</u>
Add/Less: Increase/(Decrease) in Closing Stock-in-Trade	77,59,79,690	(87,09,07,280)
Profit/(Loss) on Sale of Stock-in-Trade	<u>43,31,025</u>	<u>(8,94,971)</u>

8. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

	For the year ended	For the year ended
	31st March, 2007 (Rs.)	31st March, 2006 (Rs.)
Salaries and Wages	23,01,615	16,50,824
Staff Welfare Expenses	28,373	27,709
	<u>23,29,988</u>	<u>16,78,533</u>

SCHEDULES TO THE ACCOUNTS (Contd.)

9. FINANCIAL CHARGES AND OPERATING EXPENSES

	For the year ended 31st March, 2007 (Rs.)	For the year ended 31st March, 2006 (Rs.)
Interest - Others than on fixed loans	1,819	824
Bank, Custodial and Depository Charges	16,130	36,735
Professional and Legal Fees	2,26,612	1,48,082
	<u>2,44,561</u>	<u>1,85,641</u>

10. ESTABLISHMENT AND OTHER EXPENSES

	For the year ended 31st March, 2007 (Rs.)	For the year ended 31st March, 2006 (Rs.)
Rent	38,940	38,940
Repairs and Maintenance	4,21,055	4,08,395
Travelling and Conveyance	82,064	6,400
Rates and Taxes	25,980	13,840
Auditors' Remuneration (including Service Tax)		
- Audit Fees	1,12,360	1,12,240
- Other Services	89,792	68,324
- Reimbursement of Out of Pocket Expenses	4,674	4,589
Communication Expenses	35,486	21,552
Printing, Stationery and Periodicals	84,467	57,852
Miscellaneous Expenses	1,62,931	1,31,044
	<u>10,57,749</u>	<u>8,63,176</u>

11. STOCK-IN-TRADE (at lower of cost and fair value)

PARTICULARS

PARTICULARS	As at 31st March, 2007		As at 31st March, 2006	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
Equity Shares of Rs. 10/- each, fully paid up				
Mark Auto Limited	40,000	1	40,000	1
Patheja Brothers Forgings and Stampings Limited	50,000	1	50,000	1
Jind Textiles Limited	5,00,000	1	5,00,000	1
Taib Capital Corporation Limited	2,45,000	1	2,45,000	1
Sub - Total		<u>4</u>		<u>4</u>
Units of Rs.10/- each, fully paid up				
ABN Amro FTP Series 4, Quarterly Plan B	2,50,00,000	25,00,00,000	—	—
Birla Bond Plus – Inst Fortnightly Dividend – Reinvestment	2,69,55,238	28,11,00,000	1,91,16,986	20,00,00,000
Can Floating Rate Short Term Weekly Dividend	—	—	80,30,762	8,22,80,059
DSP Merrill Lynch Liquid Plus – Institutional Plan – Daily Dividend	2,49,950	25,00,00,000	—	—
DSP Merrill Lynch Liquidity Fund – Institutional – Daily Dividend	—	—	2,56,898	25,69,49,480
DSP Merrill Lynch Fixed Term Plan Series 1C Dividend	—	—	2,50,000	25,00,00,000
DWS Fixed Term Fund Series 23 – Dividend Option	2,50,00,000	25,00,00,000	—	—
HDFC Cash Management Saving Plan Daily Dividend	2,25,80,894	24,01,79,422	—	—
HDFC FMP 90D March 2007 – Wholesale Plan Dividend Pay out	2,50,00,000	25,00,00,000	—	—
HSBC Cash Fund – Institutional Plus – Daily Dividend	1,20,90,550	12,09,73,210	4,52,94,664	45,32,00,291
HSBC Liquid Plus – Institutional Plus Plan Daily Dividend	2,49,76,678	25,00,81,487	—	—
HSBC Floating Rate Fund – Long Term – Institutional Option	—	—	2,41,72,139	24,22,00,000
Kotak Flexi Debt Scheme – Daily Dividend	2,49,22,491	25,00,00,000	—	—
Kotak Bond (Short Term) Monthly Dividend	—	—	1,98,32,613	20,00,00,000
LICMF Liquid Fund – Dividend Plan	—	—	3,55,14,559	35,80,15,495
Principal Cash Management Fund Liquid Option IP Premium Dividend Reinvestment Daily	4,86,82,534	48,68,59,414	—	—
Principal Floating Rate Fund FMP Institutional Option Dividend Reinvestment Daily	1,49,92,504	15,00,00,000	—	—
Principal Income Fund Short Term Plan Institutional Plan Dividend Reinvestment Weekly	92,30,372	10,00,00,000	—	—
Principal Income Fund Short Term Plan Institutional Plan Dividend Reinvestment Quarterly	2,22,79,654	25,00,00,000	—	—
Principal Income Fund – Short Term Plan – Institutional Plan – Dividend Reinvestment – Weekly	—	—	1,82,91,568	20,00,00,000
Principal PNB Fixed Maturity Plan – 91 days – Series III	—	—	2,50,00,000	25,00,00,000
Prudential ICICI Institutional Liquid Plan – Super Institutional Daily Dividend	2,42,40,514	24,24,05,142	—	—
Prudential ICICI Inst Short Term Plan Fortnightly	1,36,10,901	15,04,43,759	—	—
Prudential ICICI FMP Series 37	2,50,00,000	25,00,00,000	—	—
Prudential ICICI Long Term Floating Rate Plan B – Dividend	—	—	4,55,55,379	46,00,00,000
Prudential ICICI Floating Rate Plan D – Daily Dividend	—	—	4,98,15,171	49,81,51,706
GSSSIF – Short Term Monthly Dividend	2,98,96,478	30,26,16,787	—	—
GSSSIF – ST-Plan C – Monthly Dividend	—	—	1,99,80,020	20,00,00,000
Standard Chartered Maturity Plan Qtrly Series 5 – Dividend	2,52,11,750	25,21,17,500	—	—
Sundaram FTP 90 days	2,50,00,000	25,00,00,000	—	—
Tata Short Term Bond Fund – Dividend	—	—	2,29,36,201	25,00,00,000
UTI FMP YFMP	1,00,00,000	10,00,00,000	—	—
Sub - Total		<u>467,67,76,721</u>		<u>390,07,97,031</u>
TOTAL		<u>467,67,76,725</u>		<u>390,07,97,035</u>

SCHEDULES TO THE ACCOUNTS (Contd.)

12. NOTES TO ACCOUNTS

- 1) Uncalled liability on partly paid up shares : Rs. 10,885 (2006 – Rs.10,885).
- 2) Dividend Income includes Rs. 3,65,96,796 (2006 – Rs. 3,47,83,489) from Long Term Trade Investments.
- 3) Income from Interest is stated gross. The amount of income tax deducted thereon is Rs. 2,51,95,110 (2006 – Rs. 2,67,75,215).
- 4) Claims against the Company not acknowledged as debts: In respect of sales tax: Rs. 7,22,731 (2006 – Rs. 7,22,731).
- 5) Guarantees and Counter Guarantees outstanding Rs. 7,27,422 (2006 – Rs. 7,27,422).
- 6) Loans and Advances include :
 - (a) Interest bearing loans to Associates. Balance as at the year end : Nil (2006 – Nil). The maximum indebtedness during the year :
 - (i) Newdeal Finance and Investment Limited - Rs 61,29,50,000 (2006 – Rs. 47,25,00,000).
 - (ii) Megatop Financial Services and Leasing Limited – Rs 60,65,25,000 (2006 – Rs. 49,70,00,000).
 - (iii) Peninsular Investments Limited – Rs. 72,65,50,000 (2006 – Rs. 45,81,00,000).
 - (iv) Russell Investments Limited – Rs. 2,02,00,000 (2006 – Rs. 40,70,95,307).
 - (b) Loan to the Manager of the Company Rs. Nil (2006 – Rs. 46,986). The maximum indebtedness during the year was Rs. 46,986 (2006 – Rs. 55,333).
- 7) C.I.F. Value of Imports: Capital Goods : Rs. Nil (2006 – Rs. 48,36,263).
- 8) Expenditure in Foreign Currency : Other Matters : Rs. 3,95,250 (2006 – Nil).

	For the year ended 31st March, 2007	For the year ended 31st March, 2006
9) Earnings per Share		
Profit after Taxation (Rs.)	29,39,48,492	27,08,17,048
Weighted average number of Equity Shares outstanding	64,64,78,737	64,64,78,737
Basic and Diluted Earnings Per Share in Rupees (Face Value – Rs.10/- per share).	0.45	0.42

10) Deferred Tax

	Deferred Tax (Asset)/Liability as at 31st March, 2006 (Rs.)	Current Year (Credit)/ Charge (Rs.)	Deferred Tax (Asset)/Liability as at 31st March, 2007 (Rs.)
Deferred Tax Liability			
Difference between book value and tax WDV	23,06,744	4,34,306	27,41,050
Deferred Tax Asset			
Provision for Employee Benefit	(1,87,530)	(1,76,754)	(3,64,284)
	21,19,214	2,57,552	23,76,766
Adjustment arising out of change in employee benefits liability in accordance with the transition provision of Accounting Standard –15 (Revised)	15,154	—	15,154
	21,34,368	2,57,552	23,91,920

- 11) Transfer to Special Reserve of Rs. 5,87,89,698 (2006 – Rs. 5,41,63,409) has been made in accordance with the provisions of Section 45-IC of the Reserve Bank of India Act, 1934.
- 12) Managerial Remuneration :

Salaries – Rs. 3,24,000 (2006 – Rs. 2,70,000)
Other Benefits – Rs. 52,280 (2006 – Rs. 43,400)
- 13) The status of the petition filed by an individual in the High Court at Calcutta, seeking an injunction against the Company's Counter Offer to the shareholders of VST Industries Limited, is outlined in the Report of the Directors.
- 14) Segment Reporting – The Company operates in a single business and geographical segment.

15) Related Party Disclosures :

a) Relationships :

Holding Company	ITC Limited
Subsidiary Companies	Greenacre Holdings Limited Wimco Limited Wimco Boards Limited Pavan Poplar Limited Prag Agro Farm Limited Wimco Seedlings Limited

Other Related Parties with whom the Company had transactions during the year :

Associate Companies	International Travel House Limited Newdeal Finance and Investment Limited Megatop Financial Services and Leasing Limited Peninsular Investments Limited Russell Investments Limited
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Key Management Personnel

Mr. K. Vaidyanath	Non-Executive Chairman
Mr. P. Banerjee	Non-Executive Director
Mr. B. B. Chatterjee	Non-Executive Director
Mr. R. Tandon	Non-Executive Director
Mr. S. Dutta	Non-Executive Director
Mr. J. Singh	Non-Executive Director
Mr. S. Jain	Manager & Secretary

b) Disclosure of transactions between the Company and Related Parties and the status of outstanding balances :

Particulars	For the year ended 31st March, 2007 (Rs.)	For the year ended 31st March, 2006 (Rs.)
Holding Company		
Intercompany Loan taken	19,45,00,000	Nil
Intercompany Loan Repaid	19,45,00,000	Nil
Lease Rentals Received	30,00,000	14,88,000
Miscellaneous Income	12,60,930	8,86,200
Rent, Repairs and Maintenance	4,59,995	4,47,335
Travelling	Nil	6,050
Miscellaneous Expenses	17,500	1,96,706
Balances as at	31st March, 2007 Rs.	31st March, 2006 Rs.
Holding Company		
Security Deposits Received	12,00,000	12,00,000
Other payables	1,02,742	6,050
	For the year ended 31st March, 2007 (Rs.)	For the year ended 31st March, 2006 (Rs.)
Associates		
Interest Income		
Newdeal Finance and Investment Limited	3,52,12,792	4,10,01,378
Megatop Financial Services and Leasing Limited	3,57,01,007	2,90,52,477
Peninsular Investments Limited	4,12,91,318	2,64,09,584
Russell Investments Limited	72,558	2,37,78,954
Associates		
Intercompany Loans Given		
Newdeal Finance and Investment Limited	66,73,00,000	50,88,00,000
Megatop Financial Services and Leasing Limited	65,15,25,000	51,89,00,000
Peninsular Investments Limited	74,21,50,000	47,99,00,000
Russell Investments Limited	2,02,00,000	41,60,00,000
Intercompany Loans Repaid		
Newdeal Finance and Investment Limited	66,73,00,000	50,88,00,000
Megatop Financial Services and Leasing Limited	65,15,25,000	51,89,00,000
Peninsular Investments Limited	74,21,50,000	47,99,00,000
Russell Investments Limited	2,02,00,000	41,60,00,000
Dividend Income		
International Travel House Limited	90,66,583	72,53,276
Travelling Expenses		
International Travel House Limited	10,384	Nil

SCHEDULES TO THE ACCOUNTS (Contd.)

16) Employee Benefits :

Liability for Gratuity and Leave Encashment has been Actuarially determined and provided for in the books. The following table sets out the status as required by AS-15 (Revised)

	GRATUITY (UNFUNDED) AMOUNT (RS.)	LEAVE ENCASHMENT (UNFUNDED) AMOUNT (RS.)
Net Asset/(Liability) recognised in the Balance Sheet as at 31st March, 2007		
Present value of Obligation	2,65,026	2,33,965
Fair Value of Plan Assets	Nil	Nil
Liability/(Assets)	2,65,026	2,33,965
Unrecognised Past Service Cost	2,52,406	2,05,580
Liability/(Asset) recognised in the Balance Sheet	5,17,432	4,39,545
Component of Employer's Expense		
Current Service Cost	31,526	16,367
Interest Cost	17,668	14,391
Expected Return on Plan Assets	Nil	Nil
Net Actuarial Gain/(Loss) recognised in the year	(36,574)	(2,373)
Past Service Cost	2,52,406	2,05,580
Expenses Recognised in the Profit and Loss Account (in Salaries and Wages – Schedule 8)	2,65,026	2,33,965
Movement in the Net Liability recognised in the Balance Sheet		
Opening Net Liability as on 1st April, 2006	2,52,406	2,05,580
Expenses Recognised in the Profit and Loss Account	2,65,026	2,33,965
Payment made to employee on Retirement	Nil	Nil
Closing Net Liability as on 31st March, 2007	5,17,432	4,39,545
Discount Rate	7.5% p.a.	7.5% p.a.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

17) There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2007. This information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

18) Figures for the previous year have been regrouped / re-arranged wherever necessary.

13. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Financial Statements are prepared on accrual basis under the historical cost convention.

Fixed Assets

Fixed Assets are stated at cost including any incidental acquisition expenses.

Depreciation

Depreciation is provided on "Straight Line" basis at the rates prescribed in Schedule XIV to the Companies Act, 1956.

Investments

Long Term Investments are stated at cost. However, suitable provisions are considered for permanent diminution, if any, in value of Long Term Investments. Income from Investments is included together with the related tax credit, if any, in the Profit and Loss Account.

Stock-in-Trade

Stock-in-Trade has been valued at cost or at available market quotation or their fair values, whichever is lower, scrip wise, in compliance with the Prudential Norms prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

Foreign Currency Liabilities

Foreign Currency Liabilities are restated at the rates ruling at the year end and all exchange gains / losses arising therefrom are adjusted in the Profit and Loss Account except for those covered by forward contract rates where the gains / losses arising from such restatement are recognised over the period of such contracts.

Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. All other borrowing costs are charged to revenue.

Taxes on Income

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

Deferred Tax is recognised, subject to the consideration of prudence, 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 not recognised unless there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Employee Benefits

To determine the liability for Gratuity and Leave Encashment schemes in the nature of defined benefit schemes based on independent actuarial valuation as per requirements of AS-15 (revised 2005) on "Employee Benefits".

To recognise actuarial gains and losses immediately in the Profit and Loss Account as income or expense.

Lease Rentals

Lease Rentals are accounted for on an accrual basis except in case of lessees in default where accrual is guided by Prudential Norms prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

On behalf of the Board
 R. Tandon *Director*
 S. Dutta *Director*
 S. Jain *Secretary*

Kolkata, 15th May, 2007

SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY AS AT 31ST MARCH, 2007

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

Particulars	(Rs. in Lakhs)		Assets Side :	(Rs. in Lakhs)
	Amount Outstanding	Amount Overdue		Amount Outstanding
Liabilities Side:				
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid	Nil	Nil	Long Term Investments	
a) Debentures			1.Quoted :	
Secured			(i) Shares : (a) Equity	1,11,53
Unsecured			(b) Preference	Nil
(other than falling within the meaning of public deposits)			(ii) Debentures and Bonds	Nil
b) Deferred Credits			(iii) Units of Mutual Funds	Nil
c) Term Loans			(iv) Government Securities	Nil
d) Inter-corporate loans and borrowing			(v) Others (please specify)	Nil
e) Commercial Paper			2. Unquoted :	
f) Other Loans			(i) Shares : (a) Equity	1,50,09
			(b) Preference	11,25
			(ii) Debentures and Bonds	Nil
			(iii) Units of Mutual Funds	Nil
			(iv) Government Securities	Nil
			(v) Others (please specify)	Nil
Assets Side :	Amount Outstanding		(5) Borrower group-wise classification of assets financed as in (2) and (3) above	
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]	Nil		Category	Amount Net of Provisions Secured Unsecured Total
(a) Secured			1. Related Parties	
(b) Unsecured			(a) Subsidiaries	
(3) Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities			(b) Companies in the same group	
(i) Lease Assets including lease rentals under sundry debtors			(c) Other related parties	
(a) Financial lease	Nil		2. Other than related	
(b) Operating lease	357		Total	
(ii) Stock on hire including hire charges under sundry debtors	Nil		(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :	
(a) Assets on hire			Category	Market Value/ Break-up or fair value or NAV
(b) Repossessed Assets			1. Related Parties	
(iii) Other loans counting towards AFC activities	Nil		(a) Subsidiaries	96,88
(a) Loans where assets have been repossessed			(b) Companies in the same group	Nil
(b) Loans other than (a) above			(c) Other related parties	73,35
(4) Break-up of Investments :			2. Other than related parties	1,50,04
Current Investments			Total	3,20,27
1. Quoted :			(7) Other Information	
(i) Shares : (a) Equity	Nil		Particulars	Amount
(b) Preference	Nil		(i) Gross Non-Performing Assets	Nil
(ii) Debentures and Bonds	Nil		(a) Related Parties	
(iii) Units of Mutual Funds	Nil		(b) Other than related parties	
(iv) Government Securities	Nil		(ii) Net Non-Performing Assets	Nil
(v) Others (please specify)	Nil		(a) Related Parties	
2. Unquoted :			(b) Other than related parties	
(i) Shares : (a) Equity	Nil		(iii) Assets acquired in satisfaction of debt	Nil
(b) Preference	Nil			
(ii) Debentures and Bonds	Nil			
(iii) Units of Mutual Funds	4,67,68			
(iv) Government Securities	Nil			
(v) Others (please specify)	Nil			

STATEMENT REGARDING SUBSIDIARY COMPANIES Pursuant to Section 212(1) and (3) of the Companies Act, 1956

Sl. No.	Name of the Subsidiary Company	Number of Shares held by the Company	Extent of Holding	Net aggregate amount of subsidiary's profit/(losses) not dealt with in the Holding Company's Accounts		Net aggregate amount of subsidiary's profit/(losses) dealt with in the Holding Company's Accounts	
				For the Subsidiary's financial year ended 31st March, 2007	For the Subsidiary's financial year ended 31st March, 2006	For the Subsidiary's financial year ended 31st March, 2007	For the Subsidiary's financial year ended 31st March, 2006
1.	Greenacre Holdings Limited	3,30,60,166	100%	84,25,279	78,88,803	Nil	Nil
2.	Wimco Limited	4,90,08,170	94.25%	6,47,84,623	(7,17,16,415)	Nil	Nil
3.	Wimco Boards Limited	1,69,05,173	94.25%	6,69,174	(13,10,082)	Nil	Nil
4.	Wimco Seedlings Limited	79,12,878	94.25%	(1,70,90,184)	67,21,648	Nil	Nil
5.	Pavan Poplar Limited	51,93,179	94.25%	(1,89,343)	(1,15,681)	Nil	Nil
6.	Prag Agro Farm Limited	35,81,519	94.25%	(13,24,697)	(18,79,005)	Nil	Nil

Notes :

- During the year the Company acquired 3,97,944 equity shares in Wimco Limited increasing its shareholding from 93.48% to 94.25%.
- Wimco Limited alongwith its subsidiaries became a subsidiary of the Company with effect from 1st July, 2005.
- Wimco Limited held 100% of the total subscribed and paid up equity share capital of Wimco Boards Limited and Wimco Seedlings Limited.
- Wimco Seedlings Limited held 100% of the total subscribed and paid up equity share capital of Pavan Poplar Limited and Prag Agro Farm Limited.

On behalf of the Board
R. Tandon Director
S. Dutta Director
S. Jain Secretary

Kolkata, 15th May, 2007