

**REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2009**

1. Your Directors hereby submit their Report and Accounts for the financial year ended 31<sup>st</sup> March, 2009.

**2. COMPANY PERFORMANCE**

The overall performance of the Company has been good despite increase in volatility in the interest rates.

The financial results of the Company, summarised, are as under :

	Rs.
a. Profit Before Tax	28,28,19,931
Less : Provision for Income Tax (including Fringe Benefit Tax)	1,62,81,920
b. Profit After Tax	26,65,38,011
c. Add : Profit brought forward from previous years	47,98,93,950
d. Surplus available for Appropriation	74,64,31,961
Less : Interim Dividends paid (recommended as Final Dividend)	40,00,00,000
Income Tax on Dividends	6,79,80,000
Transferred to Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934	5,33,07,602
e. Balance carried forward	22,51,44,359

During the year, the Company made further investment of AUD 14 lakhs (approx. Rs. 5 crores) in the equity share capital of its wholly owned subsidiary, Technico Pty Limited, Australia (Technico), which owns the proprietary Technituber technology for production of high quality potato seeds. Technico has gained considerable expertise in seed potato agronomy and has been an immediate source of high quality potato seeds.

Further, the Company also made an investment of Rs. 90 lakhs, by subscribing to 90,000 equity shares of Rs. 100/- each in the rights issue (renounced in favour of the Company by its Holding Company) of Maharaja Heritage Resorts Limited, a 50:50 joint venture between Marudhar Hotels Private Limited and ITC Limited.

**3. DIVIDEND**

Your Directors declared on 27<sup>th</sup> June, 2008 and 30<sup>th</sup> September, 2008, Interim Dividends of Rs. 20,00,00,000/- (Rupees Twenty Crores ) each, on 67,28,76,577 Equity Shares of Rs. 10/- each (in proportion to the amount paid-up on each Equity Share), out of the profits of the Company to the Members whose names appeared on the Register of Members on 27<sup>th</sup> June, 2008 and 30<sup>th</sup> September, 2008, respectively. The aforesaid Dividend is now recommended by your Directors as the Final Dividend for the financial year ended 31<sup>st</sup> March, 2009.

**4. DIRECTORS**

In accordance with the provisions of Article 143 of the Articles of Association of the Company, Messrs Rajiv Tandon and Biswa Behari Chatterjee 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.

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

Mr. Sharad Jain was re-appointed by the Board of Directors as Manager of the Company for a period of two years with effect from 1<sup>st</sup> July, 2009, 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.

**6. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i) followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanations relating to material departures, if any;
- ii) 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;
- iii) 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
- iv) prepared the Annual Accounts on a going concern basis.

**7. 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.

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

In terms of paragraphs 10 & 13 of the NBFC Regulations, the particulars as applicable to the Company are appended to the Balance Sheet.

**9. 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, Pavan Poplar Limited, Prag Agro Farm Limited, Technico Pty Limited - Australia, Technico ISC Pty Limited - Australia, Technico Asia Holdings Pty Limited - Australia, Technico Technologies Inc.- Canada, Technico Horticultural (Kunming) Co. Limited - China and Technico Agri Sciences Limited have been attached to the Accounts of the Company.

**10. PARTICULARS OF EMPLOYEES**

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 are provided in the Annexure to this Report.

**11. 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.

**12. 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 outgo on account of foreign exchange was Rs. 5,48,45,435/- (previous year Rs. 11,76,72,079/-).

12<sup>th</sup> May, 2009

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**

1. We have audited the attached balance sheet of **Russell Credit Limited** as at 31st March, 2009 the profit and loss account and the cash flow statement of the Company for the year ended on that date, both 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.
2. 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.
3. 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.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (i) 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;
  - (ii) 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;
  - (iii) the balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
  - (iv) 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;
  - (v) 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:
    - (a) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2009;
    - (b) in the case of the profit and loss account, of the profit for the year ended on that date; and
    - (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.
5. On the basis of written representations received from the directors as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Secunderabad  
12th May, 2009

For S. B. Billimoria & Co.  
*Chartered Accountants*  
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, 2009 was such that paragraphs 4(ii), (vi), (viii), (xi), (xii), (xiii), (xv), (xvi), (xviii) and (xix) 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 were physically verified during the year by the management. Having regard to the size of the company and the nature of its assets, the frequency of verification is reasonable. No material discrepancies between the book records and the physical inventory were noticed.
  - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the company and such disposal, has in our opinion, not affected the going concern status of the company.
- (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 weakness 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 2009 for a period of more than six months from the date they became payable.

- (c) As at 31st March 2009, 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
Tamil Nadu General Sales Tax Act & Central Sales Tax Act	Sales Tax	19,24,395	2004-05	Commercial Tax Officer
Tamil Nadu General Sales Tax Act & Central Sales Tax Act	Sales Tax	24,24,648	2005-06	Commercial Tax Officer
The Central Sales Tax Act	Sales Tax	10,53,273	2005-06	Directorate of Commercial Taxes

Of the above, Rs. 47,45,943 has been stayed for recovery by the relevant authorities.

- (vii) The company does not have accumulated losses as at 31st March 2009 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.

Secunderabad  
12th May, 2009

For S. B. Billimoria & Co.  
*Chartered Accountants*  
K. Rajasekhar  
Partner  
Membership No.: 23341

**RUSSELL CREDIT LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2009**

	Schedule	31st March, 2009		31st March, 2008	
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
<b>I. SOURCES OF FUNDS</b>					
<b>1. Shareholders' Funds</b>					
a) Share Capital	1	6,46,47,87,370		6,46,47,87,370	
b) Reserves and Surplus	2	<u>77,20,85,470</u>		<u>97,35,27,459</u>	
			7,23,68,72,840		7,43,83,14,829
<b>2. Unsecured Loans</b>			4,10,00,000		-
<b>3. Deferred Tax - Net</b>	14 (10)		40,78,371		17,18,708
<b>Total</b>			<u>7,28,19,51,211</u>		<u>7,44,00,33,537</u>
<b>II. APPLICATION OF FUNDS</b>					
<b>1. Fixed Assets</b>	3				
a) Gross Block		14,17,35,259		10,61,57,004	
b) Less: Depreciation		<u>2,30,39,158</u>		<u>4,65,61,600</u>	
c) Net Block		11,86,96,101		5,95,95,404	
d) Capital Work-in-Progress		-	11,86,96,101	<u>6,87,51,099</u>	12,83,46,503
<b>2. Investments</b>	4		6,82,31,53,169		6,35,24,68,026
<b>3. Current Assets, Loans and Advances</b>	5				
a) Current Assets		14,17,88,485		78,35,36,993	
b) Loans and Advances		<u>37,85,87,632</u>		<u>45,09,34,124</u>	
		52,03,76,117		1,23,44,71,117	
<b>4. Less: Current Liabilities and Provisions</b>	6	<u>18,02,74,176</u>		<u>27,52,52,109</u>	
<b>Net Current Assets</b>			34,01,01,941		95,92,19,008
<b>Total</b>			<u>7,28,19,51,211</u>		<u>7,44,00,33,537</u>
<b>Notes to the Accounts</b>	14				
<b>Significant Accounting Policies</b>	15				

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*

Secunderabad, 12th May, 2009

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

Kolkata, 12th May, 2009

**RUSSELL CREDIT LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009**

	Schedule	For the Year Ended 31st March, 2009 (Rs.)	For the Year Ended 31st March, 2008 (Rs.)
<b>I. INCOME</b>			
Interest on Loans		26,65,724	1,76,438
Dividend Income		22,99,44,794	24,98,29,729
Brokerage Income		3,56,91,207	2,92,56,546
Profit on Sale of Stock-in-Trade (Net)	7	-	36,35,833
Profit on Sale of Long Term Investments		2,72,69,784	57,09,30,297
Lease and Other Rentals		2,65,00,110	94,18,092
Other Income	8	1,18,70,530	3,21,89,035
		<b>33,39,42,149</b>	<b>89,54,35,970</b>
<b>II. EXPENDITURE</b>			
Payments to and Provisions for Employees	9	1,18,79,184	1,00,39,121
Financial Charges and Operating Expenses	10	49,56,552	1,33,63,746
Establishment and Other Expenses	11	1,71,99,750	19,75,687
Loss on Sale of Stock-in-Trade (Net)	7	39,55,318	-
Depreciation	3	1,31,31,414	29,66,656
		<b>5,11,22,218</b>	<b>2,83,45,210</b>
<b>III. PROFIT</b>			
Profit before Taxation		28,28,19,931	86,70,90,760
Provision for Taxation	12	1,62,81,920	99,95,368
Profit after Taxation		26,65,38,011	85,70,95,392
Profit brought forward		47,98,93,950	70,95,49,260
Profit brought forward from transferor companies		-	2,21,27,553
Available for appropriations		<b>74,64,31,961</b>	<b>1,58,87,72,205</b>
<b>IV. APPROPRIATIONS</b>			
Interim Dividends Paid		40,00,00,000	75,00,00,000
Income Tax on Interim Dividends		6,79,80,000	12,74,62,500
Transfer to General Reserve		-	5,99,96,677
Special Reserve u/s 45-IC of the RBI Act, 1934 (Refer to Note 11 of Schedule 14)		5,33,07,602	17,14,19,078
Profit carried forward		22,51,44,359	47,98,93,950
		<b>74,64,31,961</b>	<b>1,58,87,72,206</b>
Earnings Per Share (Face Value Rs 10.00 each) (Basic & Diluted)	<b>14(9)</b>	0.41	1.33

**Notes to the Accounts** **14**

**Significant Accounting Policies** **15**

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*

On Behalf of the Board

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

Secunderabad, 12th May, 2009

Kolkata, 12th May, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	For the year ended 31st March, 2009 (Rs.)	For the year ended 31st March, 2008 (Rs.)
<b>A. NET PROFIT BEFORE TAX</b>	<b>28,28,19,931</b>	<b>86,70,90,760</b>
ADJUSTMENTS FOR :		
Depreciation	1,31,31,414	29,66,656
Interest Income on Income Tax (Net)	(25,56,177)	(1,60,67,330)
Unrealised Exchange (Gain)/Loss	8,35,000	(14,62,500)
Profit on Sale of Investments	(2,72,69,784)	(57,09,30,297)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>26,69,60,384</b>	<b>28,15,97,289</b>
ADJUSTMENTS FOR :		
Trade and Other Receivables	(65,37,683)	32,26,231
Stock-in-Trade	64,81,87,084	3,90,47,54,333
Trade Payables	(30,22,933)	(2,12,26,354)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>90,55,86,852</b>	<b>4,16,83,51,499</b>
Income Tax Refund / (Payment) (Including Fringe Benefit Tax)	(3,51,29,174)	1,51,89,194
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>87,04,57,678</b>	<b>4,18,35,40,693</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(34,81,013)	(10,36,53,743)
Purchase of Long Term Investments	(53,27,78,503)	(211,37,39,897)
Proceeds from Liquidation of Minota Aquatech Limited	32,26,400	-
Sale of Long Term Investments	8,61,36,745	1,05,44,72,800
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(44,68,96,371)</b>	<b>(116,29,20,841)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Decrease in Short Term Loans	-	(1,98,03,96,277)
Intercompany Loans Received	63,45,00,000	1,26,31,00,000
Intercompany Loans Repaid	(59,35,00,000)	(1,26,31,00,000)
Intercompany Loans given to Subsidiaries	-	(13,83,48,750)
Intercompany Loans given to Associates	-	(28,00,000)
Intercompany Loans Repaid by Associates	-	28,00,000
Secured Loans Others (Given)/ Repayment	22,74,214	(23,432,000)
Dividends Paid	(40,00,00,000)	(75,00,00,000)
Income Tax on Dividend Paid	(6,79,80,000)	(12,74,62,500)
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>	<b>(42,47,05,786)</b>	<b>(301,96,39,527)</b>
<b>NET INCREASE / ( DECREASE ) IN CASH AND CASH EQUIVALENTS</b>	<b>(11,44,479)</b>	<b>9,80,325</b>
<b>OPENING CASH AND CASH EQUIVALENTS</b>	<b>41,98,343</b>	<b>29,70,549</b>
<b>OPENING CASH AND CASH EQUIVALENTS (transferred from transferor companies)</b>	<b>-</b>	<b>2,47,469</b>
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>30,53,864</b>	<b>41,98,343</b>

As per our Report of even date attached.

For S.B. Billimoria & Co.  
Chartered Accountants  
K. Rajasekhar  
Partner

Secunderabad, 12th May, 2009

On Behalf of the Board

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

Kolkata, 12th May, 2009

## SCHEDULES TO THE ACCOUNTS

## 1. SHARE CAPITAL

	As at 31st March, 2009 (Rs.)	As at 31st March, 2008 (Rs.)
<b>Authorised:</b>		
70,00,00,000 Equity Shares of Rs.10/- each	7,00,00,00,000	7,00,00,00,000
	<u>7,00,00,00,000</u>	<u>7,00,00,00,000</u>
<b>Issued, Subscribed &amp; Paid-up:</b>		
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)	5,97,45,41,770	5,97,45,41,770
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)	49,02,45,600	49,02,45,600
	<u>6,46,47,87,370</u>	<u>6,46,47,87,370</u>
(All the shares are held by the Holding Company , ITC Limited)		

## 2. RESERVES AND SURPLUS

	As at 31st March, 2009 (Rs.)	As at 31st March, 2008 (Rs.)
Special Reserve u/s 45-IC of the RBI Act, 1934		
At the commencement of the year	45,10,29,763	26,20,85,315
Add: Transferred from transferor companies	-	1,75,25,370
Add: Transferred from Profit and Loss Account	<u>5,33,07,602</u>	<u>17,14,19,078</u>
	50,43,37,365	45,10,29,763
Capital Reserve	2,87,67,445	2,87,67,445
General Reserve		
At the commencement of the year	1,38,36,301	-
Add: Transferred from Profit and Loss Account	-	5,99,96,677
Add: Transferred from Transferor Companies	-	62,96,166
Less: Amounts adjusted pursuant to the scheme of amalgamation	<u>-</u>	<u>(5,24,56,542)</u>
	1,38,36,301	1,38,36,301
Profit and Loss Account	22,51,44,359	47,98,93,950
	<u>77,20,85,470</u>	<u>97,35,27,459</u>

## SCHEDULES TO THE ACCOUNTS (Contd.)

## 3. FIXED ASSETS

Particulars	GROSS BLOCK (AT COST)					DEPRECIATION					NET BOOK VALUE
	As at commencement of the year (Rs.)	Assets taken over on amalgamation (Rs.)	Additions (Rs.)	Deletions (Rs.)	As at the end of the year (Rs.)	As at commencement of the year (Rs.)	On assets taken over on amalgamation (Rs.)	For the year (Rs.)	Deletions (Rs.)	Upto 31st March, 2009 (Rs.)	As at 31st March, 2009 (Rs.)
Plant & Machinery *	10,61,57,004	-	7,22,32,111	3,66,53,856	14,17,35,259	4,65,61,600	-	1,31,31,414	3,66,53,856	2,30,39,158	11,86,96,101
<b>TOTAL</b>	<b>10,61,57,004</b>	<b>-</b>	<b>7,22,32,111</b>	<b>3,66,53,856</b>	<b>14,17,35,259</b>	<b>4,65,61,600</b>	<b>-</b>	<b>1,31,31,414</b>	<b>3,66,53,856</b>	<b>2,30,39,158</b>	<b>11,86,96,101</b>
Previous Year	<b>5,67,55,197</b>	<b>1,44,99,162</b>	<b>3,49,02,645</b>	<b>-</b>	<b>10,61,57,004</b>	<b>2,90,95,782</b>	<b>1,44,99,162</b>	<b>29,66,656</b>	<b>-</b>	<b>4,65,61,600</b>	<b>5,95,95,404</b>

\* 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. 14,15,75,259/- (2008 - Rs. 6,95,03,147/-) and Accumulated Depreciation is Rs. 2,30,29,029/- (2008 - Rs. 99,07,744 /-). Depreciation for the year charged to Profit and Loss Account is Rs. 1,31,31,414 /- (2008 - Rs. 29,66,656 /-). The aggregate lease rental of Rs. 2,20,60,110/- (2008 - Rs. 56,98,092 /-) is included in Lease and Other Rentals in the Profit and Loss Account.

SCHEDULES TO THE ACCOUNTS (Contd.)

4. INVESTMENTS

	As at 31st March, 2009		As at 31st March, 2008	
	Number	Value (Rs.)	Number	Value (Rs.)
<b>LONG TERM</b>				
<b>A. UNQUOTED</b>				
<b>SUBSIDIARY COMPANIES</b>				
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	9,12,38,170	55,02,65,126	9,12,38,170	55,02,65,126
Ordinary Shares of Technico Pty Limited, without par value	2,26,06,065	1,08,72,41,115	2,16,25,455	1,03,63,89,332
5% Redeemable Cumulative Preference Shares of Rs 100 /- each, of Wimco Limited, fully paid up	55,00,000	55,00,00,000	60,00,000	60,00,00,000
<b>TRADE INVESTMENTS</b>				
Equity Shares of Rs. 100 /-each , of Maharaja Heritage Resorts Limited, fully paid up	90,000	90,00,000	-	-
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 (Liquidated)	-	-	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
Equity Shares of Rs.10/- each, of Divya Management Limited, fully paid up	41,82,915	6,93,07,630	41,82,915	6,93,07,630
Equity Shares of Rs.10/- each, of Antrang Finance Limited, fully paid up	43,24,634	4,39,56,071	43,24,634	4,39,56,071
<b>OTHER INVESTMENTS</b>				
Class 'G' Shares of Rs.48,000/- each, of Lotus Court Private Limited, fully paid up	2	2,34,00,000	2	2,34,00,000
Equity Shares of Rs.100/- each, of Adyar Property Holding Company Limited, Rs 65 /- per share paid up	311	43,86,50,000	311	43,86,50,000
		<b>3,18,32,98,746</b>		<b>3,17,49,26,963</b>

SCHEDULES TO THE ACCOUNTS (Contd.)

4. INVESTMENTS

	As at 31st March, 2009		As at 31st March, 2008	
	Number	Value (Rs.)	Number	Value (Rs.)
<b>B. QUOTED</b>				
<b>TRADE INVESTMENTS</b>				
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
<b>OTHER INVESTMENTS</b>				
Equity Shares of Rs.2/- each, of EIH Limited, fully paid up	5,88,64,763	2,15,69,58,306	5,77,92,442	2,00,64,33,539
Equity Shares of Rs.2/- each, of Ballarpur Industries Limited, fully paid up	23,00,229	5,58,46,701	23,00,229	5,58,46,701
Equity Shares of Rs.2/- each, of Hotel Leela Venture Limited, fully paid up	1,41,42,900	31,17,88,593	-	-
		<u>3,63,98,54,423</u>		<u>3,17,75,41,063</u>
<b>Total (A + B)</b>		<b>6,82,31,53,169</b>		<b>6,35,24,68,026</b>

Market Value of Quoted Investments: Rs 6,50,31,26,702 /- (2008 - Rs 9,64,44,31,330 /-)

SCHEDULES TO THE ACCOUNTS (Contd.)

5. CURRENT ASSETS, LOANS AND ADVANCES

	As at 31st March, 2009 (Rs.)	As at 31st March, 2008 (Rs.)	As at 31st March, 2008 (Rs.)
<b>A. CURRENT ASSETS</b>			
Stock-in-Trade (Schedule 13)	<u>12,38,35,303</u>	<u>77,20,22,387</u>	77,20,22,387
	12,38,35,303		
Sundry Debtors (Unsecured and Good)			
Debts outstanding for a period exceeding six months	-	83,066	
Others	<u>1,44,37,705</u>	<u>69,57,523</u>	70,40,589
	1,44,37,705		
Cash and Bank Balances			
Cash in hand	5,741	1,222	
Balance with Scheduled Banks - In Current Accounts	<u>30,48,123</u>	<u>41,97,121</u>	
	30,53,864		41,98,343
Other Current Assets (Unsecured - Considered Good)			
Deposits	3,13,508	23,500	
Interest Receivable	<u>1,48,105</u>	<u>2,52,174</u>	
	4,61,613		2,75,674
	<u>14,17,88,485</u>	<u>78,35,36,993</u>	
<b>B. LOANS AND ADVANCES - Considered Good</b>			
<b>Secured</b>			
Loans to Others (secured by mortgage of immovable property and hypothecation of moveables & receivables)	2,11,57,786		2,34,32,000
<b>Unsecured</b>			
Loans to Subsidiaries	13,75,13,750	13,83,48,750	
Advances recoverable in cash or kind or for value to be received	6,79,000	17,24,372	
Advance Payment of Tax			
- Income Tax	17,00,72,292	23,83,29,198	
- MAT Credit Entitlement	4,90,00,000	4,90,00,000	
- Fringe Benefit Tax	<u>1,64,804</u>	<u>99,804</u>	
	35,74,29,846	42,75,02,124	
	<u>37,85,87,632</u>	<u>45,09,34,124</u>	

SCHEDULES TO THE ACCOUNTS (Contd.)

6. CURRENT LIABILITIES AND PROVISIONS

	As at 31st March, 2009 (Rs.)	As at 31st March, 2008 (Rs.)
<b>A. CURRENT LIABILITIES</b>		
Sundry Creditors		
- Total Outstanding dues of Micro and Small Enterprises	-	-
- Others	75,06,549	50,47,636
Other Liabilities	12,00,000	56,62,554
	<b>87,06,549</b>	<b>1,07,10,190</b>
<b>B. PROVISIONS</b>		
Provision for Long Term Employee Benefits	8,35,087	18,54,379
Provision for Tax		
- Income Tax	17,05,99,900	26,25,99,900
- Fringe Benefit Tax	1,32,640	87,640
	<b>17,15,67,627</b>	<b>26,45,41,919</b>
	<b>18,02,74,176</b>	<b>27,52,52,109</b>

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

	As at 31st March, 2009 (Rs.)	As at 31st March, 2008 (Rs.)
Sales	6,11,99,36,083	14,82,22,83,825
Less : Purchases	5,47,57,04,317	10,91,38,93,659
	64,42,31,766	3,90,83,90,166
Add / Less : Increase / (Decrease) in Closing Stock-in-Trade	(64,81,87,084)	(390,47,54,333)
Profit /(Loss) on Sale of Stock-in-Trade	<b>(39,55,318)</b>	<b>36,35,833</b>

8. OTHER INCOME

	For the year ended 31st March, 2009 (Rs.)	For the year ended 31st March, 2008 (Rs.)
Foreign Exchange Gain	-	25,48,431
Interest on Income Taxes	25,61,625	2,34,76,723
Miscellaneous Income	49,91,880	61,63,881
Liabilities no longer required written back	43,17,025	-
	<b>1,18,70,530</b>	<b>3,21,89,035</b>

**SCHEDULES TO THE ACCOUNTS (Contd.)**

**9. PAYMENTS TO AND PROVISIONS FOR EMPLOYEES**

	<b>For the year ended 31st March, 2009 (Rs.)</b>	<b>For the year ended 31st March, 2008 (Rs.)</b>
Salaries and Wages	1,04,75,214	93,95,468
Contribution to Provident and Other Funds	8,35,870	3,78,714
Staff Welfare Expenses	5,68,100	2,64,939
	<u>1,18,79,184</u>	<u>1,00,39,121</u>

**10. FINANCIAL CHARGES AND OPERATING EXPENSES**

	<b>For the year ended 31st March, 2009 (Rs.)</b>	<b>For the year ended 31st March, 2008 (Rs.)</b>
Interest on Income Tax	5,448	74,09,393
Foreign Exchange Loss	8,35,000	-
Bank, Custodial and Depository Charges	97,009	71,192
Professional and Legal Fees	40,19,095	58,83,161
	<u>49,56,552</u>	<u>1,33,63,746</u>

**11. ESTABLISHMENT AND OTHER EXPENSES**

	<b>For the year ended 31st March, 2009 (Rs.)</b>	<b>For the year ended 31st March, 2008 (Rs.)</b>
Rent	6,59,571	3,90,533
Repairs and Maintenance	5,08,970	4,88,894
Travelling and Conveyance	1,20,482	2,77,616
Rates and Taxes	29,364	59,532
Auditors' Remuneration (including Service Tax )		
- Audit Fees	1,65,450	1,12,360
- Other Services	-	-
- Reimbursement of Out of Pocket Expenses	-	-
Communication Expenses	67,753	71,078
Printing, Stationery and Periodicals	1,06,995	1,62,125
Donation	1,50,00,000	-
Miscellaneous Expenses	5,41,165	4,13,549
	<u>1,71,99,750</u>	<u>19,75,687</u>

**12. PROVISION FOR TAXATION**

	<b>For the year ended 31st March, 2009 (Rs.)</b>	<b>For the year ended 31st March, 2008 (Rs.)</b>
Income Tax for the year:		
Current Tax	1,45,00,000	7,50,00,000
Less: MAT Credit Entitlement	-	4,90,00,000
Net Current Tax Liability	<u>145,00,000</u>	<u>2,60,00,000</u>
Deferred Tax	23,59,663	(6,73,212)
Fringe Benefit Tax	45,000	30,200
	<u>1,69,04,663</u>	<u>2,53,56,988</u>
Less: Adjustments related for previous years		
Current Tax	6,22,743	1,53,61,620
	<u>1,62,81,920</u>	<u>99,95,368</u>

## SCHEDULES TO THE ACCOUNTS (Contd.)

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

PARTICULARS	As at 31st March, 2009		As at 31st March, 2008	
	Quantity	Value (Rs.)	Quantity	Value (Rs.)
<b>Equity Shares of Rs.10/- each, fully paid up</b>				
SKH Metals 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
Bharti Airtel Limited	26,900	1,68,32,675	-	-
ICICI Bank Limited	1,04,350	3,47,27,680	-	-
Punjab National Bank	14,250	58,63,163	-	-
State Bank of India	40,450	4,31,64,195	-	-
<b>Equity Shares of Rs.5/- each, fully paid up</b>				
Reliance Communications Limited	1,04,000	1,81,84,400	-	-
<b>Sub - Total</b>		<b>118,772,117</b>		<b>4</b>
<b>Units of Rs.10/- each, fully paid up</b>				
ICICI Prudential Inst. Liquid Plan - Super Ins. Daily Dividend	3,00,557	30,05,723		
IDFC Money Manager Fund Investment Plan B Insti Daily Dividend	2,05,438	20,57,463		
Kotak Liquid (Institutional Premium) - Daily Dividend	-	-	37,32,682	4,56,43,605
Principal Cash Mgt. Liquid Option IP Premium Dividend Reinvestment Daily	-	-	2,10,18,893	21,02,03,644
Pru ICICI Institutional Short Term Plan Dividend Reinvest -Fortnightly	-	-	3,62,45,541	40,16,00,595
TATA Floating Rate Short Term Institutional Plan- Daily Dividend	-	-	1,14,51,156	11,45,74,539
<b>Sub - Total</b>		<b>50,63,186</b>		<b>77,20,22,383</b>
<b>TOTAL</b>		<b>12,38,35,303</b>		<b>77,20,22,387</b>

**SCHEDULES TO THE ACCOUNTS (Contd.)**

**14. NOTES TO THE ACCOUNTS**

1. Uncalled liability on partly paid up shares : Rs. 10,885/- (2008- Rs.10,885/-).
2. Dividend Income includes Rs. 20,73,33,608/- (2008 – Rs. 13,91,98,358/-) from Long Term Investments.
3. Interest Income is stated gross.
4. Claims against the Company not acknowledged as debts: In respect of sales tax: Rs. 54,71,774/- ( 2008 – Rs. 54,71,774/-) .
5. Guarantees and Counter Guarantees outstanding Rs. 3,27,442/-(2008–Rs. 3,27,442/- )
6. Loans and Advances include :
  - (a) Interest free loans to subsidiaries, balances as at the year end are as follows:
 

Technico Pty Limited – Rs. 1,75,13,750/- ( 2008 -Rs. 1,83,48,750/-).  
Technico Agri Sciences Limited (formerly Chambal Agritech Limited) – Rs. 12,00,00,000/- ( 2008 – Rs. 12,00,00,000/- ) .

The maximum indebtedness during the year :

Technico Pty Limited – Rs. 1,75,13,750/- ( 2008 -Rs. 1,83,48,750/-).  
Technico Agri Sciences Limited (formerly Chambal Agritech Limited) – Rs. 12,00,00,000/- ( 2008 – Rs. 12,00,00,000/- ) .
  - (b) Interest bearing loans to Associates. Balance as at the year end : Nil ( 2008 – Nil ).  
The maximum indebtedness during the year :
    - (i) Russell Investments Limited- Rs. Nil (2008 – Rs. 28,00,000/-)
7. Value of Imports during the year (C.I.F. Basis)
 

Capital Goods : Rs. 36,78,894/- (2008 – Rs. 10,01,82,735/-)
8. Expenditure in Foreign Currency during the year (on payment basis)
 

Other Matters : Rs .3,15,600/- ( 2008 - Rs. 6,03,094/- )
9. Earnings Per Share

	<b>For the year ended 31<sup>st</sup> March, 2009</b>	<b>For the year ended 31<sup>st</sup> March, 2008</b>
Profit after Taxation (Rs.)	26,65,38,011/-	85,70,95,392/-
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)	0.41	1.33

10. Deferred Tax

Particulars	Deferred Tax (Asset)/ Liability as at 31st March, 2008 (Rs.)	Current Year (Asset)/ Liability (Credit) / Charge (Rs)	Deferred Tax as at 31st March, 2009 (Rs)
<b>Deferred Tax Liability</b>			
Difference between net book value and tax written down value	35,69,829	17,08,000	52,77,829
<b>Deferred Tax Assets</b>			
Merger Related Expenses	(12,20,818)	3,05,205	(9,15,613)
Provision for Employee Benefits	<u>(6,30,303)</u>	<u>3,46,457</u>	<u>(2,83,846)</u>
<b>Deferred Tax Liability-Net</b>	<b><u>17,18,708</u></b>	<b><u>23,59,663</u></b>	<b><u>40,78,371</u></b>

11. Transfer to Special Reserve of Rs. 5,33,07,602/- ( 2008 – Rs 17,14,19,078/- ) 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. Nil ( 2008 – Rs. 3,09,800/- )  
Other Benefits – Rs. Nil ( 2008- Rs. 79,100/- )

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 segment i.e. Financial Services and single geographical segment.

15. Capital to Risk Adequacy Ratio:

Items	31 <sup>st</sup> March, 2009	31 <sup>st</sup> March, 2008
i) CRAR (%)	99.29	98.78
ii) CRAR - Tier I capital (%)	99.29	98.78
iii) CRAR - Tier II Capital (%)	-	-

16. Exposure to Real Sector Estate:

Category	31 <sup>st</sup> March, 2009	31 <sup>st</sup> March, 2008
a) Direct exposure		
(i) Residential Mortgages	Nil	Nil
(ii) Commercial Real Estate	Nil	Nil
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential,	Nil	Nil
b. Commercial Real Estate	Nil	Nil
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil	Nil

17. Maturity pattern of certain assets and liabilities:

(Rs. in crores)

	1 to 30/31 days (one month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to one year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Market Borrowings	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Assets</b>									
Advances	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Investments	12.38 <sup>*1</sup>	Nil	Nil	Nil	Nil	Nil	Nil	682.32 <sup>*2</sup>	694.70

\*1 Investments classified as Stock in Trade as per Schedule 13

\*2 Investments classified as Long Term as per Schedule 4

18. Related Party Disclosures :

**(a) Relationships**

**Holding Company**

ITC Limited

**Subsidiary Companies**

Greenacre Holdings Limited  
Wimco Limited  
Pavan Poplar Limited  
Prag Agro Farm Limited  
Tecnico Pty Limited  
Tecnico Agri Sciences Limited  
(formerly Chambal Agritech Limited)  
Tecnico ISC Pty Limited  
Tecnico Asia Holdings Pty Limited  
Tecnico Horticultural (Kunming) Co. Ltd.

**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

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

**Associate Companies**

International Travel House Limited

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

<b>Particulars</b>	<b>For the year ended</b>	<b>For the year ended</b>
<b>Holding Company</b>	<b>31st March, 2009</b>	<b>31<sup>st</sup> March, 2008</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Intercorporate Loan taken	<b>63,45,00,000</b>	1,26,31,00,000
Intercorporate Loan Repaid	<b>59,35,00,000</b>	1,26,31,00,000
Lease Rentals Received	<b>44,40,000</b>	37,20,000
Miscellaneous Income	<b>5,10,412</b>	22,90,883
Rent, Repairs and Maintenance	<b>6,00,901</b>	9,62,463
Miscellaneous Expenses	<b>Nil</b>	11,236
Dividend Paid	<b>40,00,00,000</b>	75,00,00,000
<b>Balances as at</b>	<b>31<sup>st</sup> March, 2009</b>	<b>31<sup>st</sup> March, 2008</b>
<b>Holding Company</b>	<b>(Rs.)</b>	<b>(Rs.)</b>
Security Deposits Received	<b>12,00,000</b>	12,00,000
Other Payables	<b>Nil</b>	23,022
Debtors/Receivables	<b>1,23,337</b>	1,16,007
Intercorporate Loans taken	<b>4,10,00,000</b>	Nil
	<b>For the year ended</b>	<b>For the year ended</b>
<b>Subsidiary Companies</b>	<b>31st March, 2009</b>	<b>31<sup>st</sup> March, 2008</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Technico Pty Limited</b>		
Intercorporate Loan given	<b>Nil</b>	1,83,48,750
Subscription to Share Capital	<b>5,08,50,940</b>	Nil
<b>Tecnico Agri Sciences Limited</b> <b>(formerly Chambal Agritech Limited)</b>		
Intercorporate Loan given	<b>12,00,00,000</b>	12,00,00,000
<b>Wimco Limited</b>		
Redemption of Preference Shares	<b>5,00,00,000</b>	52,00,00,000
Subscription to Preference Shares	<b>Nil</b>	60,00,00,000
Dividend Received	<b>4,47,94,521</b>	Nil
<b>Balances as at</b>	<b>31<sup>st</sup> March, 2009</b>	<b>31<sup>st</sup> March, 2008</b>
<b>Subsidiary Companies</b>	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Loans Outstanding</b>		
Technico Pty Limited	<b>1,75,13,750</b>	1,83,48,750
Technico Agri Sciences Limited (formerly Chambal Agritech Limited)	<b>12,00,00,000</b>	12,00,00,000

<b>Particulars</b>	<b>For the year ended</b>	<b>For the year ended</b>
<b>Associates</b>	<b>31st March, 2009</b>	<b>31<sup>st</sup> March, 2008</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Interest Income</b>		
Russell Investments Limited	Nil	4,603
<b>Intercorporate Loan given</b>		
Russell Investments Limited	Nil	28,00,000
<b>Intercorporate Loan Repaid</b>		
Russell Investments Limited	Nil	28,00,000
<b>Subscription to Share Capital</b>		
Divya Management Limited	Nil	3,66,84,150
Antrang Finance Limited	Nil	3,99,96,340
<b>Dividend Income</b>		
International Travel House Limited	1,08,79,899	1,21,10,091
<b>Travelling Expenses</b>		
International Travel House Limited	40,207	59,124
 <b>Balances as at</b>	 <b>31<sup>st</sup> March, 2009</b>	 <b>31<sup>st</sup> March, 2008</b>
Associates	<b>(Rs.)</b>	<b>(Rs.)</b>
<b>Interest Receivable</b>		
Russell Investments Limited	Nil	4,603

19. 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.

	For the year ended 31 <sup>st</sup> March 2009		For the year ended 31 <sup>st</sup> March 2008	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Unfunded	Unfunded
<b>I. Components of Employer Expense</b>				
1. Current Service Cost	2,21,644	21,123	5,14,588	69,522
2. Interest Cost	92,588	37,219	29,299	25,122
3. Expected Return on Plan Assets	Nil	Nil	Nil	Nil
4. Curtailment Cost/(Credit)	Nil	Nil	Nil	Nil
5. Settlement Cost/(Credit)	Nil	Nil	Nil	Nil
6. Past Service Cost	Nil	Nil	(3,39,088)	(2,99,918)
7. Actuarial Losses/(Gains)	(1,86,501)	1,58,565	3,60,237	87,091
<b>8. Total expense recognised in the Statement of Profit &amp; Loss Account (in Salaries &amp; Wages – Schedule 9)</b>	<b>1,27,731</b>	<b>2,16,907</b>	<b>5,65,036</b>	<b>(1,18,183)</b>
<b>II. Net Asset/ (Liability) recognised in Balance Sheet</b>				
1. Present Value of Defined Benefit Obligation	11,51,189	4,98,931	13,22,680	5,31,699
2. Fair Value on Plan Assets	(8,15,033)	Nil	Nil	Nil
3. Status [Surplus/(Deficit)]	(3,36,156)	(4,98,931)	(13,22,680)	(5,31,699)
4. Unrecognised Past Service Cost	Nil	Nil	Nil	Nil
<b>5. Net Asset/ (Liability) recognised in Balance Sheet</b>	<b>(3,36,156)</b>	<b>(4,98,931)</b>	<b>(13,22,680)</b>	<b>(5,31,699)</b>
<b>III. Change in Defined Benefit Obligations (DBO)</b>				
1. Present Value of DBO at the Beginning of Period	13,22,680	5,31,699	2,65,026	2,33,965
Add: Amounts pertaining to transferor companies	Nil	Nil	2,13,068	1,58,999
2. Current Service Cost	2,21,644	21,123	5,14,588	69,522
3. Interest Cost	92,588	37,219	29,299	25,122
4. Curtailment Cost/(Credit)	Nil	Nil	Nil	Nil
5. Transferred Out	(2,99,222)	(2,49,675)	Nil	Nil
6. Plan Amendments	Nil	Nil	Nil	Nil
7. Acquisitions	Nil	Nil	Nil	Nil
8. Actuarial (Gains)/Losses	(1,86,501)	1,58,565	3,60,237	87,091
9. Benefits Paid	Nil	Nil	(59,538)	(43,000)
<b>10. Present Value of DBO at the End of Period</b>	<b>11,51,189</b>	<b>4,98,931</b>	<b>13,22,680</b>	<b>5,31,699</b>
<b>IV. Change in Fair Value of Plan Assets</b>				
1. Plan Assets at the Beginning of Period	Nil	Nil	Nil	Nil
2. Actual Company Contribution	8,15,033	Nil	Nil	Nil
<b>3. Plan Assets at the End of Period</b>	<b>8,15,033</b>	<b>Nil</b>	<b>19,19,289</b>	<b>Nil</b>
<b>V. Actuarial Assumptions</b>				
1. Discount Rate (%)	7.00	7.00	7.50	7.50

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.

20. There are no Micro, Small and Medium Enterprises, to whom the Company owes any dues, as at 31st March, 2009. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on information available with the Company.
21. During the year donation of Rs. 1.50 crores was made to Indian National Congress.
22. Unsecured Loans are interest free loans taken from the Holding Company.
23. Figures for the previous year have been regrouped / re-arranged wherever necessary.

**15. 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, category wise, in compliance with the Prudential Norms prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

**Foreign Currency Translation**

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions.

Foreign Currency Monetary Assets and Monetary 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**

To provide Current tax as the amount of tax payable in respect of taxable income for the period.

To provide Deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence.

Not to recognise Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

**Employee Benefits**

Liability for Gratuity and Leave Encashment schemes in the nature of defined benefit schemes are based on independent actuarial valuation as per requirements of AS-15 on "Employee Benefits".

Actuarial gains and losses are recognised 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, 12th May, 2009

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**  
(As per Schedule VI, part IV of the Companies Act, 1956)

**I. Registration Details**

Registration No.    6 1 6 8 4 o f 1 9 9 4 State Code   2 1

Balance Sheet Date   3 1   0 3   2 0 0 9  
Date Month Year

**II. Capital raised during the year (Amount in Rs. Thousands)**

Public Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	Rights Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Bonus Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	Private Placement	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L

**III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities	<input type="text"/> <input type="text"/> <input type="text"/> 7 4 6 2 2 2 5	Total Assets	<input type="text"/> <input type="text"/> <input type="text"/> 7 4 6 2 2 2 5
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**Sources of Funds**

Paid up Capital	<input type="text"/> <input type="text"/> <input type="text"/> 6 4 6 4 7 8 7 #	Reserves & Surplus	<input type="text"/> <input type="text"/> <input type="text"/> 7 7 2 0 8 5
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# Includes 59,74,04,170 Equity Shares of Rs.10/- each, fully paid up, and 7,54,22,400 Equity Shares of Rs.10/- each, partly paid up, issued on Amalgamation.

Secured Loans	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	Unsecured Loans	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 4 1 0 0 0
Deferred Tax Liability	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 4 0 7 8		

**Application of Funds**

Net Fixed Assets	<input type="text"/> <input type="text"/> <input type="text"/> 1 1 8 6 9 6	Investments	<input type="text"/> <input type="text"/> <input type="text"/> 6 8 2 3 1 5 3
Net Current Assets	<input type="text"/> <input type="text"/> <input type="text"/> 9 3 4 3 1 0	Misc. Expenditure	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Accumulated Losses	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L		

**IV. Performance of Company (Amount in Rs. Thousands)**

Turnover (Net)*	<input type="text"/> <input type="text"/> <input type="text"/> 3 3 3 9 4 2	Total Expenditure	<input type="text"/> <input type="text"/> <input type="text"/> 5 1 1 2 2
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\* Includes Other Income

<input checked="" type="checkbox"/> <input type="checkbox"/>	Profit/Loss Before Tax	<input type="text"/> <input type="text"/> <input type="text"/> 2 8 2 8 2 0	<input checked="" type="checkbox"/> <input type="checkbox"/>	Profit/Loss After Tax	<input type="text"/> <input type="text"/> <input type="text"/> 2 6 6 5 3 8
	(Please tick appropriate box +for profit, - for loss)				

Earning Per Share in Rs.	<input type="text"/> <input type="text"/> <input type="text"/> 0 . 4 1	Dividend Rate %	<input type="text"/> <input type="text"/> <input type="text"/> 6 . 1 9
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**V. Generic Names of Three Principal Services of Company**

Item Code No.	-	Not Applicable
Service Description	-	Investments
	-	Lending
	-	Asset Financing

Audit Committee: Mr. K. Vaidyanath, Chairman, M/s. B. B. Chatterjee, S. Dutta, Members





**STATEMENT REGARDING SUBSIDIARY COMPANY**

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, 2009	For the Subsidiary's financial year ended 31st March, 2008	For the Subsidiary's financial year ended 31st March, 2009	For the Subsidiary's financial year ended 31st March, 2008
1.	Greenacre Holdings Limited	3,30,60,166	100%	1,01,85,307	1,05,36,952	Nil	Nil
2.	Technico Pty Limited	2,26,06,065	100%	(1,38,92,379)	119,95,714	Nil	Nil
3.	Technico Agri Sciences Limited (Formerly Chambal Agritech Limited)	3,79,62,800	100%	3,02,21,405	528,47,467	Nil	Nil
4.	Technico Asia Holdings Pty Limited	2	100%	-	-	Nil	Nil
5.	Technico Horticultural (Kunming) Co. Limited	Registered Capital paid US \$ 2.3m	100%	(1,27,14,787)	(4,919,446)	Nil	Nil
6.	Technico ISC Pty Limited	2	100%	-	-	Nil	Nil
7.	Technico Technologies Inc	1	100%	2,14,61,533	(7,659,560)	Nil	Nil
8.	Wimco Limited	9,12,38,170	96.82%	1,48,46,430	61,349,025	Nil	Nil
9.	Pavan Poplar Limited	53,35,061	96.82%	1,42,733	(796,606)	Nil	Nil
10.	Prag Agro Farm Limited	36,79,369	96.82%	18,70,086	256,307	Nil	Nil

**Notes**

1. Wimco Limited held 100% of the subscribed and paid up equity share capital of Pavan Poplar Limited and Prag Agro Farm Limited.
2. Technico Pty Limited held 100% of the total subscribed and paid up equity share capital of Technico Agri Sciences Limited, Technico Asia Holdings Pty Limited, Technico ISC Pty Limited and Technico Technologies Inc. Technico Asia Holdings Pty Limited held 100% of the total subscribed and paid up equity share capital of Technico Horticultural (Kunming) Co. Limited.

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

Kolkata, 12th May, 2009