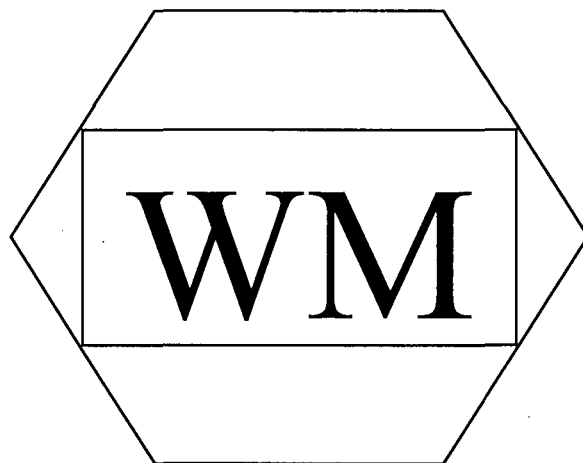


WOOLITE MERCANTILE COMPANY LIMITED



ANNUAL REPORT 2008 - 2009

BOARD OF DIRECTORS

Mr. Umesh Chamdia*	-	Chairman
Mr. Sridhar Bhupathi Raju**	-	Director
Mr. Nandan Pavan Surampudi**	-	Director
Mr. VijayaKumar R. Kalidindi**	-	Director
Mr. Subhash S. Dutta***	-	Director
Mr. Praful S. Hande	-	Director
Mr. S. M. Zafar	-	Director

(*Appointed as an Additional Director w.e.f 09/02/2009

(**Resigned as Director w.e.f 19/06/2009)

(***Resigned as Director w.e.f 24/06/2009)

AUDITORS

M/s. R. Mahajan & Associates,
Chartered Accountants

BANKERS

Union Bank of India,
Lower Parel Branch, Mumbai.

REGISTERED OFFICE

75, Park Street,
Kolkata - 700 016

CORPORATE OFFICE

25, Mangaldas Road,
Mumbai 400002.
Tel / Fax : 91 22 2201 5662.

REGISTRAR & SHARE TRANSFER AGENT

SK Computers
34/1A, Sudhir Chatterjee Street,
Kolkata - 700 006

Particulars	Page No.
Notice -----	1
Directors' Report -----	3
Compliance Certificate -----	5
Auditors' Report -----	9
Balance Sheet -----	12
Profit & Loss Account -----	13
Cash Flow Statement -----	14
Schedules To Accounts -----	15
Notes To Accounts -----	16
Balance Sheet Abstract -----	17

NOTICE

Notice is hereby given that the Annual General Meeting of the members of **WOOLITE MERCANTILE COMPANY LIMITED** will be held on Wednesday, the 30th day of September, 2009 at 10.30 a.m. at 75, Park Street, Kolkata 700 016 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Praful S. Hande who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. **To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary resolution:**

“RESOLVED THAT Mr. Umesh Chamdia, who was appointed as an Additional Director by the Board of Directors at their meeting held on 9th February, 2009 pursuant to the provisions of Section 260 of the Companies Act, 1956 and holds the office upto the date of this Annual General meeting of the Company and in respect of whom a notice in writing pursuant to Section 257 of the Companies Act, 1956 has been received from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

**By Order of the Board of Directors
FOR WOOLITE MERCANTILE COMPANY LTD.**

Place : Mumbai
Date : 31/07/2009

**Umesh Chamdia
Chairman**

Registered Office
75, Park Street,
Kolkata - 700 016.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
3. Member / Proxy should bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 25th day of September 2009 to Wednesday, the 30th day of September 2009 (both days inclusive).
5. Members desirous of seeking information relating to the Accounts and operations of the Company are requested to address their queries to the Company at least 7 days in advance of the meeting, to enable the company to keep the information ready.
6. Shareholders are requested to bring their copies of Annual Report to the meeting.

7. Members whose shareholding is in the electronic mode are requested to direct change of address notifications to their respective Depository Participants.
8. Members are requested to address all correspondences, including dividend mandates, etc. to the Registrar and Share Transfer Agents.

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

Item No. 4

The Board of Directors of your Company has appointed Mr. Umesh Chamdia as an Additional Director of your Company on 9th February, 2009 to broad base the Board. Mr. Umesh Chamdia, aged about 38 years is a B. Com by qualification. He has more than 15 years of experience in shares trading and investment.

The Company has received a notice under Section 257 of the Companies Act, 1956 together with requisite deposit from a member signifying the intention to propose the name of Mr. Umesh Chamdia for appointment as Director of the Company.

Your directors recommend the resolution as set out at item No. 4 of the notice for your approval.

**By Order of the Board of Directors
FOR WOOLITE MERCANTILE COMPANY LTD.**

Place : Mumbai
Date : 31/07/2009

**Umesh Chamdia
Chairman**

Registered Office
75, Park Street,
Kolkata - 700 016.

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting Annual Report of your Company together with the Audited Statements of Accounts for the year ended March 31, 2009.

FINANCIAL RESULTS:

(Rupees in Lacs)

	Year Ended 31/03/2009	Year Ended 31/03/2008
Total Income	3.30	3.09
Profit / (Loss) before tax	0.64	1.30
Less: Provision for Taxation	0.20	0.40
Profit / (Loss) After tax	0.44	0.90
Balance brought forward from previous year	15.92	15.02
Balance carried to Balance Sheet	16.36	15.92

OPERATIONS:

During the year under review, the company earned a total income of Rs. 3.30 Lacs as against Rs. 3.09 Lacs in the previous year. The Profit before tax was Rs. 0.64 Lacs as against profit of Rs. 1.30 Lacs in the previous year. The Profit after tax was Rs. 0.44 Lacs as against profit of Rs. 0.90 Lacs in the previous year.

DIVIDEND:

In order to conserve the resources for long-term requirements, the Board of Directors do not recommend any payment of Dividend for the year under review.

PUBLIC DEPOSIT:

Your Company has neither accepted nor renewed any deposit within the meaning of Section 58A and 58AA of the Companies Act, 1956 during the year ended on 31st March 2009.

DIRECTOR:

As per the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Praful S. Hande will retire by rotation and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment for your approval at the ensuing Annual General Meeting.

During the year under review, your Board has appointed Mr. Umesh Chamdia as an Additional Director of the Company in terms of provisions of Section 260 of the Companies Act, 1956 w.e.f. 9th February, 2009 and holds the office upto the conclusion of the ensuing Annual General Meeting. The Company has received notice from a member under Section 257 of the Companies Act, 1956 together with necessary deposit proposing his candidature for the office of Director. Your Directors recommend his appointment as Director of the Company.

Further, Mr. Sridhar Bhupathi Raju, Mr. Nandan Pavan Surampudi and Mr. VijayaKumar R. Kalidindi resigned from the directorship of the company w.e.f. 19th June, 2009 and Mr. Subhash S. Dutta resigned as Director w.e.f. 24th June, 2009 due to pre-occupation. The Board place on record their sincere appreciation for the services rendered by said directors during their tenure in the Company.

CHANGE IN MANGEMENT OF THE COMPANY

During the year under review Mr. Umesh P Chamdia has acquired 53.19% equity shares capital of the Company as per details given here below :

1. Acquired 691,334 Equity shares representing 34.71 % of the voting capital of the Company from the open market on 29th October, 2008.
2. Acquired 3,68,136 Equity shares representing 18.48 % of the voting capital of the Company under the Open offer pursuant to Regulation 10 & 12 of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 1997 on 03/02/2009.

The open offer was closed on 12th January, 2009. Accordingly, Mr. Umesh Chamdia has become the promoter of the Company. As on 31/03/2009 Mr. Umesh Chamdia holds 57.70% of the paid-up capital of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis.

AUDITORS:

M/s. R. Mahajan & Associates, Chartered Accountants, Kolkata, holds office upto the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment and have further confirmed their eligibility under Sub-Section (1B) of Section 224 of the Companies Act, 1956.

SECRETARIAL COMPLIANCE CERTIFICATE:

In accordance with the provisions of Section 383A of the Companies Act, 1956 a certificate from M/s. Manish Ghia & Associates, Company Secretaries regarding the status on Compliance of the provisions of the Companies Act, 1956 is attached herewith.

CORPORATE GOVERNANCE

The Company does not fall in any of the criteria prescribed under the provisions of Section 292A of the Companies Act, 1956 and clause 49 of the listing agreement for constitution of Audit Committee and Compliance of Corporate Governance. Hence, the Constitution of Audit Committee and Compliance of Corporate Governance is not mandatory to the Company. However, the Company is always committed towards good Corporate Governance.

LISTING OF SHARES

The Shares of the Company are listed with Bombay Stock Exchange Limited and the Company has paid the listing fees for the year 2009 - 2010.

STATUTORY INFORMATION:**a) Particulars of Employees:**

The information as required by provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of employees) amendments rules, 1988 is reported to be **NIL**.

b) Particulars u/s. 217(1) (e) of the Companies Act, 1956:

The Company is engaged in the business for which information regarding Conservation of Energy, Technology Absorption, Adoption and innovation are not applicable. Hence, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, are reported to be **NIL**.

There were no Foreign Exchange earnings /outgoings during the year under review.

APPRECIATION

Your Directors place on record their appreciation for the continued support of shareholders and business associates of the Company.

**By Order of the Board of Directors
FOR WOOLITE MERCANTILE COMPANY LTD.**

Place : Mumbai
Date : 31/07/2009

**Umesh Chamdia
Chairman**

Registered Office
75, Park Street,
Kolkata - 700 016.

FORM
[SEE RULE 3]

Compliance Certificate

CIN : **L51109WB2002PLC094419**
Authorised Share Capital : **Rs. 2,00,00,000/-**

To,
The Members
Woolite Mercantile Company Limited
75, Park Street,
Kolkata 700 016

We have examined the registers, records, books and papers of **Woolite Mercantile Company Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on **31st March 2009** (**Financial year**). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and rules made there under and all entries therein have been duly recorded.
2. The Company has filed forms and returns during the year under review with the Registrar of Companies, West Bengal, Kolkata after the time prescribed under the Act and the rules made thereunder. The Company has paid the necessary additional fees for the same. The Company was not required to file any documents with the Regional Director, Central Government and Company Law Board or other authorities
3. The Company, being a public limited Company, has the minimum prescribed paid-up share capital. As on 31st March 2009, the paid up capital of the Company was Rs. 1,99,20,000/- and the restrictive provisions of Section 3(1) (iii) of the Act are not applicable.
4. The Board of Directors duly met 8 (Eight) times on 10th April 2008, 30th June 2008, 30th July 2008, 30th October 2008, 5th November 2008, 31st January 2009, 9th February 2009 and 14th February 2009 as per information and explanation given by the management, proper notices were given and the proceedings were properly recorded in the Minute Book maintained for the purpose. No resolution by circulation has been passed by the Company.
5. The Company has closed its Register of Members and Share Transfer Register for the period from 25th September 2008 to 30th September 2008 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended **31st March 2008** was held on **30th September 2008** as per information and explanation given by the management, the Company has given adequate notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra - Ordinary General Meeting of the Company was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling under the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government as the case may be.

12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
 - i) was not required to deliver any share certificate as no transfers were received in physical form.
 - ii) was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii) was not required to post warrants for dividend to the members of the Company as no dividend was declared during the financial year.
 - iv) do not have any amount lying on accounts of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and which is required to transfer to Investors Education and Protection Fund.
 - (v) has properly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The appointment of Director retiring by rotation and additional Director was duly made. During the Financial year, Mr. Umesh Chamdia was appointed as an additional director with effect from 9th February, 2009. There was no appointment of alternate director and director to fill casual vacancies during the financial year.
15. The Company has not appointed any Managing Director /Whole time Director/ Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and Registrar of Companies or such other authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms and Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares or debentures, hence the question of redemption of the same does not arise.
22. There were no transaction necessitating the Company to keep in abeyance the rights to dividend/rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Sections 58A and 58AA of the Act during the financial year.
24. The Company has not made any borrowing during the financial year.
25. The Company has not made any investments / loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the registers kept for that purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the financial year.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the financial year.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year.

29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the financial year.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any amount as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year.

For **MANISH GHIA & ASSOCIATES**
Company Secretaries

(**MANISH L. GHIA**)
Partner
M. No. ACS 7254 C.P. No. 3531

Place : Mumbai
Date : 31st July, 2009

Annexure - "A"

Registers maintained by the Company, M/s. Woolite Mercantile Company Limited

1. Register of Members u/s. 150 of the Act.
2. Register of Index of Members u/s. 151 of the Act.
3. Register and Returns u/s. 163 of the Act.
4. Register of contracts, Companies and firms in which directors are interested u/s. 301 of the Act.
5. Register of Directors u/s. 303 of the Act.
6. Register of Directors' Shareholding u/s. 307 of the Act.
7. Minutes Book of General Meeting and Board Meeting u/s. 193 of the Act.
8. Register of Transfer / Transmission of Shares.

Annexure "B"

Forms and Returns as filed by the Company, M/s. Woolite Mercantile Company Limited

A) With the Registrar of Companies, West Bengal, Kolkata during the financial year ending on 31st March 2009.

Sr. No.	Form No.	Relevant Section	Description	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/N. A.
1	DIN 3	266E	Intimation of Directors identification of Mr. Surampudi Pavan Nandan, Mr. Shridhar Bhupatiraju and Mr. Subhash Chandra Dutta.	08/07/2008	Yes	N. A.
2	32	303(2)	Particulars of appointment of Mr. Praful S. Hande and Mr. Mohammed Zafar Gulam Gous Shaikh as Additional Directors of the Company w.e.f 18/01/2008.	28/07/2008	No	Yes
*3	20B	159(1)	Schedule-VI (Annual Return) as on the date of Annual General Meeting i.e. 29/09/2007.	04/09/2008	No	Yes
4	66	383A	Compliance Certificate under Section 383A of the Companies Act, 1956 for the financial year ended on 31/03/2007.	23/09/2008	No	Yes
5	66	383A	Compliance Certificate under Section 383A of the Companies Act, 1956 for the financial year ended on 31/03/2008.	26/10/2008	Yes	N. A.
6	23AC/ 23ACA	220(1)	Schedule - VI (Annual Accounts) for the financial year ended 31/03/2007.	27/10/2008	No	Yes
7	23AC/ 23ACA	220(1)	Schedule - VI (Annual Accounts) for the financial year ended 31/03/2008.	27/10/2008	Yes	N. A.
8	32	303(2)	Particulars of regularization of Mr. Praful S.Hande & Mr. Mohammed Zafar Gulam Gous Shaikh as Directors w.e.f 30/09/2008.	07/11/2008	No	Yes
9	20B	159(1)	Schedule - V (Annual Return) as on the date of Annual General Meeting i.e. 30/09/2008.	29/11/2008	Yes	N. A.
10	32	303(2)	Particulars of appointment of Mr. Umesh P. Chamdia as Additional Director of the Company w.e.f 09/02/2009.	11/02/2009	Yes	N. A.

* The Company has filed this form on MCA Portal with old CIN No. U51109WB2002PLC094419.

B) With the Office of the Regional Director, Eastern Region Bench at Kolkata during the financial year ending on 31st March 2009.

Nil

C) With the Office of the Ministry of Company affairs (Central Government) at Delhi during the financial year ending on 31st March 2009.

Nil

D) With any other Authorities as prescribed under the Act, during the financial year ending on 31st March 2009.

Nil

Auditor's Report

To
The Members of
WOOLITE MERCANTILE COMPANY LIMITED

We have audited the attached balance sheet of **Woolite Mercantile Company Limited** as at 31st March 2009 the profit and loss account and also the cash flow statement 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 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 to 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 Reports) Order, 2003 (as amended) 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.

Further to our comments in the annexure referred to 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The Balance Sheet, Profit and Loss Account dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet, Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- v. On the basis of the written representation received from the Director, as on 31st March 2009, and taken on record by the Board of Director, we report that none of the Director is disqualified as on 31st March 2009 from being appointed as a Directors in terms of Clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
- vi. 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 Balance Sheet, of the state of affairs of the Company as at 31st March 2009
 - (b) In the case of Profit and Loss Account, of the Profit for the year ended on that date.
 - (c) In the case of cash flow statement, of the cash flow for the year ended on that date.

For **R. Mahajan & Associates**
Chartered Accountants

(**Ratnesh Mahajan**)
Partner
M.No. 085484

Place: Mumbai
Dated: 30/06/2009

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBER OF WOOLITE MERCANTILE COMPANY LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2009.

1. The Company does not have any fixed asset Hence clause a, b and c of para 4(i) of the order is not applicable.
2. The Company does not have any inventory, Hence clause a, b and c of para 4(ii) of the order is not applicable.
3. As informed, the company has neither granted nor taken any loans secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956,
4. In our opinion and according to the information and explanations give to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory and fixed assets and with regard to sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control
5. Based on the audit procedures applied by us and according to the information and explanations provided to us by the management, we are of the opinion that there is no transaction that needs to be entered into the register maintained under section 301. Accordingly, the provision of Clause v (b) of the paragraph 4 of the Order is not applicable to the company.
6. The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Sections 58A, 58AA, or any other relevant provision of the Companies Act, 1956 and rules made there under. Hence, the clause (vi) of the order is not applicable.
7. The Company does not have an internal audit system. However, in our opinion and according to the representations made by the management, the level of operations and transactions of the Company, by itself, do not require a formal internal audit system.
8. The Central Government has not prescribed maintenance of cost record under section 209(1)(d) of the Companies Act, 1956 for the products of the Company.
9.
 - a) According to the information and explanations given to us, in our opinion, the company is regular in depositing undisputed statutory dues including Provident Fund, Investors Education and Protection Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues to the extent as applicable to it with the appropriate authorities except Income Tax dues where there is delay in depositing. According to the information and explanations given to us, no undisputed amount payables in respect of statutory dues as aforesaid were outstanding, as at 31st March 2009 for a period of more than six months from the date of becoming payable.
 - b) According to the information and explanations given to us, there are no dues of sale tax, Income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.
10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. The Company has no borrowings from financial institutions, banks or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund and nidhi / mutual benefit fund/society.
14. The company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the Provisions of clause (xiv) of paragraph 4 of the Order are not applicable.
15. According to the information and explanations given to us, The Company has not given any guarantee for loans taken by other from bank or financial institutions during the year.
16. The Company has not raised any term loans during the year covered by our audit.

17. According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investment.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For R. Mahajan & Associates
Chartered Accountants**

**(Ratnesh Mahajan)
Partner
M.No. 085484**

Place: Mumbai
Dated: 30/06/2009

BALANCE SHEET AS ON 31ST MARCH, 2009

(Amount in Rs.)

PARTICULARS	Schedules	AS ON	
		31 ST MARCH, 2009	31 ST MARCH, 2008
<u>SOURCES OF FUNDS:</u>			
SHAREHOLDERS FUND			
Share Capital	1	19,920,000	19,920,000
RESERVES & SURPLUS			
Profit & Loss Account		1,635,596	1,591,182
		21,555,596	21,511,182
<u>APPLICATION OF FUND</u>			
CURRENT ASSETS, LOANS & ADVANCES			
Cash & Bank Balances	2	167,516	13,736
Loans & Advances	3	21,669,080	21,546,399
		21,836,596	21,560,135
<u>Less: Current Liabilities & Provisions</u>	4		
Current Liabilities		281,000	48,953
Provisions		-	-
Net Current Assets		21,555,596	21,511,182
		21,555,596	21,511,182
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	6		

The accompanying schedules are an integral part of these accounts.

As per our audit report of even date attached

For R. Mahajan & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Ratnesh Mahajan
Partner

(Praful Hande)
Director

(Umesh Chamdia)
Director

Place : Mumbai
Dated : 30/06/2009

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

(Amount in Rs.)

PARTICULARS	Schedules	AS ON	AS ON
		31 ST MARCH, 2009	31 ST MARCH, 2008
<u>INCOME</u>			
Interest (Including TDS of Rs. 68071 & Prev.Year Rs.63643)		330,181.00	308,948.00
		<u>330,181.00</u>	<u>308,948.00</u>
<u>EXPENDITURE</u>			
Administrative & Other Expenditures	5	265,907.00	179,418.00
		<u>265,907.00</u>	<u>179,418.00</u>
Profit/(Loss) before tax		64,274.00	129,530.00
Provision For Current Tax			
Income Tax		19,860.00	40,135.00
Profit/(Loss) After Tax		<u>44,414.00</u>	<u>89,395.00</u>
Profit / (Loss) Brought Forward		1,591,182.00	1,501,787.00
Profit / (Loss) Carried Forward		1,635,596.00	1,591,182.00
Basic & Diluted earnings per share (Face Value Rs 10)		0.02	0.04
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	6		

The accompanying schedules are an integral part of these accounts.

As per our audit report of even date attached

For R. Mahajan & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Ratnesh Mahajan
Partner

(Praful Hande)
Director

(Umesh Chamdia)
Director

Place : Mumbai
Dated : 30/06/2009

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

(Amount in Rs.)

	2009	2008
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before tax & extraordinary items	64,274	129,530
Adjusted for :		
Depreciation		
Loss on sale of fixed assets		
Sundry balance written off		
Interest & Dividend Income	(330,181)	(308,948)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>(265,907)</u>	<u>(179,418)</u>
Adjusted for :		
Trade and other receivables	(122,681)	(63,843)
Inventories	-	-
Trade Payables	232,047	(15,807)
Cash generated from operations	<u>(156,541)</u>	<u>(259,068)</u>
Direct Taxes paid	<u>(19,860)</u>	<u>(40,135)</u>
Cash flow before extra ordinary items	<u>(176,401)</u>	<u>(299,203)</u>
Extra Ordinary items	-	-
Net cash from Operating activities (A)	<u>(176,401)</u>	<u>(299,203)</u>
B. CASH FLOW INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Interest and Dividend Income	330,181	308,948
(Purchase)/Sale of Investments	-	-
Net Cash used in investing activities (B)	<u>330,181</u>	<u>308,948</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Loans taken/(repaid)	-	-
Net Cash used in Financing activities (C)	<u>-</u>	<u>-</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	153,780	9,745
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	13,736	3,991
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	167,516	13,736

NOTES: Cash and cash equivalents represent cash and bank balances.

For R. Mahajan & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Ratnesh Mahajan
Partner

(Praful Hande)
Director

(Umesh Chamdia)
Director

Place : Mumbai
Dated : 30/06/2009

**SCHEDULES FORMING INTEGRAL PART OF PROFIT & LOSS ACCOUNT
AND BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2009**

	(Amount in Rs.)	
	AS ON 31 ST MARCH, 2009	AS ON 31 ST MARCH, 2008
1) SHARE CAPITAL		
<u>AUTHORISED CAPITAL</u>		
2000000 Equity Shares of Rs.10/- Each	<u>20,000,000</u>	<u>20,000,000</u>
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
1992000 Equity Shares of Rs.10/- Each	19,920,000	19,920,000
	<u>19,920,000</u>	<u>19,920,000</u>
2) CASH AND BANK BALANCES		
Cash in hand	102,060	13,719
Balance with Scheduled Banks in Current Account	65,456	17
	<u>167,516</u>	<u>13,736</u>
3) LOANS & ADVANCES		
(Unsecured , considered good)		
Loans		
Advances recoverable in cash or in kind or for value to be received	21,538,178	21,463,708
Advance Tax & TDS	129,402	81,191
Deposits	1,500	1,500
	<u>21,669,080</u>	<u>21,546,399</u>
4) CURRENT LIABILITIES & PROVISIONS		
<u>A: CURRENT LIABILITIES</u>		
Other Liabilities	281,000	48,953
	<u>281,000</u>	<u>48,953</u>
<u>B: PROVISIONS</u>		
Provision for Tax	-	-
5) ADMINISTRATIVE & OTHER EXPENSES	<u>281,000</u>	<u>48,953</u>
Auditors' Remuneration		
-Statutory audit	19,854	16,854
Publishing Expenses	83,215	99,186
Postage Expenses	-	22,386
Bank Charges	300	1,253
Custodian Charges	9,075	4,494
Printing & Stationery	14,043	2,950
Meeting Exp.	-	12,550
Legal & Professional charges	112,360	5,270
Listing expenses	10,160	11,000
Roc Expenses	16,900	-
Miscellaneous Expenses	-	3,475
	<u>265,907</u>	<u>179,418</u>

**NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2009**

6) SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1) SIGNIFICANT ACCOUNTING POLICIES

a) **SYSTEM OF ACCOUNTING :**

The company follows accrual basis of accounting in the preparation of accounts and recognized income and expenses on accrual basis. The accounts are prepared on historical cost basis as a 'going concern' and are consistent with generally accepted accounting principles.

b) **REVENUE :**

Income is accounted for on accrual basis except where the receipt of income is uncertain.

Profit and loss on transactions in Futures and Options are accounted for on transaction date. Unrealized gains on Futures contracts at year end are reversed in the profit and loss account and credited to mark-to market - equity futures.

c) **TAXES ON INCOME :**

(i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.

(ii) Deferred tax is recognized subject to consideration of prudence, in respect of deferred tax assets 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.

2) NOTES TO ACCOUNTS

a) The Company is predominantly engaged in the business of investments, share trading and financial activities and is a Single Segment' Company.

b) Related Party Disclosures:

(i) List of Related Parties:

Key Management Personnel

Umesh Chamdia

Praful Hande

(ii) Transactions with related parties Nil

c) As per information available with the company, no amount is due to any Undertaking/ Enterprise covered under the Micro, Small and Medium Enterprise Development Act, 2006.

e) i) Previous years figures have been re-arranged and regrouped wherever found necessary.

ii) Previous year figures above are mentioned in the brackets

3) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**I. Registration Details :**

Registration No.	94419	State Code:	21
Balance Sheet Date	31.03.2009		

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

Public Issue:	NIL	Right Issue:	NIL
Bonus Issue:	NIL	Private Placement:	NIL

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

Total Liabilities:	21,556	Total Assets:	21,556
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Sources of Funds :

Paid up Capital:	19,920	Reserves & Surplus:	1,636
Secured Loans:	NIL	Unsecured Loans:	NIL

Application of Funds:

Net Fixed Assets:	NIL	Investments	NIL
Net Current Assets:	21,556	Misc. Expenditure:	NIL
Accumulated Losses:	NIL		

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

Turnover (Gross Revenue)	330	Total Expenditure	266
Before Tax	64	Profit/Loss After Tax	44
Earning per Share:	0.02	Dividend Rate	NIL

V. Generic name of three Products/Services of Company (as per monetary terms)

Item Code No. NOT APPLICABLE
 Product Description: FINANCING AND DEALING IN SHARES & SECURITIES

For R. Mahajan & Associates

Chartered Accountants

Ratnesh Mahajan

Partner

Place : Mumbai

Dated : 30/06/2009

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WOOLITE MERCANTILE COMPANY LIMITED

Regd. Office: 75, Park Street , Kolkatta

FORM OF PROXY

Regd. Folio No.....

DP/CLIENT ID.....

No of Shares held

I/We..... of..... in
the District of..... being a Member / Members of **WOOLITE MERCANTILE COMPANY LIMITED** hereby appoint..... of.....
in the District of..... or failing him.....
..... of..... as my/our/proxy to vote for me/us, on my
/our behalf of at the **ANNUAL GENERAL MEETING** of the Company, to be held on Wednesday, the 30th day of September
2009 at 10.30 a.m. at 75, Park Street, Kolkatta - 700016 any adjournment thereof.

Revenue
Stamp
of Re.1

Signed: _____ day of _____ 2009

WOOLITE MERCANTILE COMPANY LIMITED

Regd. Office: 75, Park Street , Kolkatta
(To be completed and presented at the Entrance)

ATTENDANCE SLIP

Regd. Folio No.....

DP/CLIENT ID.....

No of Shares held

Name of the attending Member (IN BLOCK LETTERS)

Name of the Proxy (IN BLOCK LETTERS) (To be filled in by Proxy attending instead of the Member) I hereby record my
presence at the Annual General Meeting to be held on Wednesday, the 30th day of September 2009 at 10.30 a.m. at 75,
Park Street, Kolkatta - 700016.

Members'/Proxy Signature

BOOK-POST

If undelivered please return to:

Woolite Mercantile Company Limited
75, Park Street,
Kolkata - 700 016