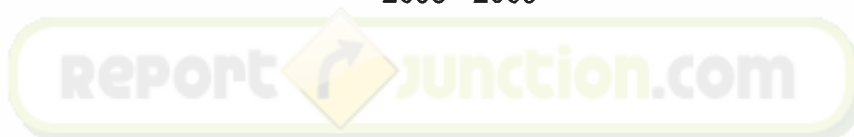


WILLIAMSON MAGOR & CO. LIMITED

ANNUAL REPORT
AND
ACCOUNTS
2008 - 2009



ESTD. 1868



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DIRECTORS

B. M. KHAITAN - *Chairman*
 DEEPAK KHAITAN - *Vice Chairman*
 A. KHAITAN
 T. R. SWAMINATHAN
 R. S. JHAWAR
 PADAM KUMAR KHAITAN
 DR. R. SRINIVASAN
 G. MOMEN
 BHARAT BAJORIA
 H. M. PAREKH

SECRETARY

H. U. SANGHAVI

AUDITORS

LOVELOCK & LEWES
Chartered Accountants

BANKERS

HDFC BANK LTD.
 ICICI BANK LTD.
 STANDARD CHARTERED BANK
 UNITED BANK OF INDIA

SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

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



WILLIAMSON MAGOR GROUP

WILLIAMSON MAGOR & CO. LTD. PRINCIPAL ACTIVITIES –

NON-BANKING FINANCE & PROPERTY OWNERS

SUBSIDIARIES

WOODSIDE PARKS LIMITED

MAJERHAT ESTATES & DEVELOPERS LIMITED

OTHER GROUP COMPANIES

EVEREADY INDUSTRIES INDIA LIMITED

McLEOD RUSSEL INDIA LIMITED

D1 WILLIAMSON MAGOR BIO FUEL LIMITED

ENGINEERING :

KILBURN ENGINEERING LIMITED

MCNALLY BHARAT ENGINEERING CO. LIMITED

OTHERS :

BABCOCK BORSIG LIMITED

METALS CENTRE LIMITED

BORELLI TEA HOLDINGS LIMITED (U.K.)

PHU BEN TEA COMPANY LIMITED (VIETNAM)

McLEOD RUSSEL INDIA LIMITED

Particulars of Tea Estates

LOCATIONS	TEA ESTATES
ASSAM:	
BISHNAUTH	DEKORAI, MIJICAJAN, MONABARIE, PERTABGHUR
DHUNSERI	BEHORA, BUKHIAL
DOOM DOOMA	BAGHJAN, BORDUBI, KOOMSONG, PHILLOBARI, BEESAKOPIE/DAIMUKHIA, SAMDANG MESSAIJAN/PANIKHOWA, RAIDANG/HANSARA
EAST BORO!	BARGANG, BEHALI, BOROI, DUFFLAGHUR, HALEM, NYA GOGRA
JORHAT	HUNWAL
MANGALDAI	ATTAREEKHAT, BHOO TIACHANG, BORENGAJULI, CORRAMORE, DIMAKUSI, PANEERY
MARGHERITA	BOGAPANI, DEHING, DIROK, MARGHERITA, NAMDANG
MORAN	ATTABARRIE, DIRAI, LEPETKATTA, MORAN, RAJMAI, SEPON
THAKURBARI	ADDABARIE, HARCHURAH/NILPUR, PHULBARI, RUPAJULI, TARA JULIE, TEZPORE & GOGRA
TINGRI	DIRIAL, ITAKHOOLI, KEYHUNG, MAHAKALI
WEST BENGAL:	
DOOARS	BHATPARA, CENTRAL DOOARS, CHUAPARA, JAINTI/CHUNIAJHORA, MATHURA, JAIBIRPARA



FIVE YEAR FINANCIAL SUMMARY

(Rupees in Lakh)

	2008-09	2007-08	2006-07	2005-06	2004-05
Total Income	2,081.80	2,210.53	4,410.22	5,545.54	9,334.04
Expenses	2,558.39	2,294.75	1,218.02	1,632.53	4,469.88
Profit/(Loss) Before Taxation	(476.59)	(84.22)	3,192.20	3,913.01	4,864.16
Taxation - Current	—	—	130.00	—	60.00
- Earlier years (net of write back)	123.18	(24.08)	—	—	—
- Deferred	—	—	—	(8.39)	(57.37)
- Fringe Benefit Tax (net of write back)	(4.11)	(8.44)	6.50	7.43	—
Profit/(Loss) after Taxation	(357.52)	(116.74)	3,055.70	3,913.97	4,861.53
Exceptional Items					
Balance	(357.52)	(116.74)	3,055.70	3,913.97	4,861.53
Transfer to Statutory Reserve	—	—	611.14	782.80	972.30
Retained Profits/(Loss)	(357.52)	(116.74)	2,444.56	3,131.17	3,889.23
Funds Employed	35,982.36	33,534.95	29,444.48	20,892.58	18,879.05
Employment of Funds					
Net Block of Fixed Assets	7,039.36	7,142.87	7,258.31	7,400.59	7,573.37
Investments	20,624.93	19,277.63	15,786.24	13,139.32	10,517.83
Net Current Assets	8,318.07	7,114.45	6,399.93	352.67	796.24
Miscellaneous Expenditure (to the extent not written off)	—	—	—	—	—
Deferred Tax Liability	—	—	—	—	(8.39)



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

The Directors have pleasure in presenting the Annual Report for the Audited Accounts of your Company for the year ended 31st March, 2009.

FINANCIAL RESULTS

(Rs. in Thousands)

	2008-2009	2007-2008
Profit before Depreciation and Interest	15,93,24	11,65,21
Less : a) Depreciation	22,65	17,81
b) Interest	20,47,18	12,31,62
Profit/(Loss) before Taxation	(4,76,59)	(84,22)
Provision for Taxation :		
a) Current Tax	—	—
b) Earlier years (net off write back)	(1,23,18)	24,08
c) Fringe Benefit Tax (net off write back)	4,11	8,44
Profit/(Loss) after Taxation	(3,57,52)	(1,16,74)
Transfer to Statutory Reserve	—	—
	(3,57,52)	(1,16,74)
Loss brought forward from previous years	(21,35,42)	(20,18,68)
Balance carried forward to Balance Sheet	(24,92,94)	(21,35,42)

OPERATIONS

During the year under review the total income of your Company was Rs.20.82 crore as against a total income of Rs.22.11 crore earned in the previous year.

The Company during the year under review recovered Establishment Expenses amounting to Rs.3.72 crore and earned interest income of Rs.12.18 crore. The loss after tax for the year amounted to Rs.3.58 crore.

DIVIDEND

On account of the loss sustained by the Company your Directors regret their inability to recommend any dividend for the year under review.

D1 WILLIAMSON MAGOR BIO FUEL LIMITED

D1 Williamson Magor Bio Fuel Ltd.(D1WM) of which your Company is a Joint Venture Partner has completed its third year of operation facilitating development of Jatropa Oil Seeds through contract farming operations for production inter alia of Bio Diesel. Bio Diesel is a clean fuel alternative to fossil fuel. It is generally blended with petroleum fuel in advanced countries to operate vehicles and many other diesel run engines.

There is acute shortage of Bio Fuel feedstock which is being developed by D1WM. The Company has promoted Jatropa plantation on over 1,32,000 hectares of land till 31st March, 2009. It expects to secure sizeable feedstock from the plantations presently under development.

The prices of the feedstock for Bio Fuel remained relatively firm even after decline in the price of petroleum fuel due to global recession which indicates its increasing demand even during the current period of recession.

DIWM expects to make a sub-commercial harvest of crop during the current year and commence commercial production in 2010-11.



SUBSIDIARY COMPANIES

The Annual Report and Accounts of Woodside Parks Limited and Majerhat Estates & Developers Limited, Subsidiaries of the Company, as on 31st March 2009 are annexed to this Report in accordance with the provisions of Section 212 of the Companies Act, 1956

COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

In terms of the above Rules, your Board is pleased to give particulars as required in an Annexure, which forms a part of the Directors' Report.

DIRECTORS

Mr. Bharat Bajoria and Mr. H. M. Parekh were appointed as Additional Directors with effect from 18th December, 2008 and 30th March, 2009 respectively. In terms of Article 103 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956. Mr. Bajoria and Mr. Parekh hold office upto the date of the next Annual General Meeting of the Company.

The Company has received notices in writing pursuant to Section 257(1) of the Companies Act, 1956 from two Members signifying their intentions to propose them respectively for election to the office of Directors at the ensuing Annual General Meeting.

Mr. D. K. Pal ceased to be a Director of the Company with effect from 13th January, 2009 consequent to the withdrawal of his nomination by ICICI Bank Limited, Mumbai with effect from the said date.

The Directors wish to place on record their appreciation for the valuable services rendered by Mr. Pal during his tenure of office as a Director of the Company.

In accordance with Article 100 of the Articles of Association of the Company Messrs. B. M. Khaitan, D. Khaitan and T.R. Swaminathan will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

MANAGER

The Board of Directors of the Company has reappointed Mr. D. Pal Choudhury as Manager as defined in Section 2(24) of the Companies Act, 1956 for a period of one year with effect from 1st April 2009 subject to the approval of the Members of the Company at its ensuing Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND REPORT ON CORPORATE GOVERNANCE

As required in terms of the Listing Agreement with Stock Exchanges a Management Discussion and Analysis Report and a Report on Corporate Governance are annexed forming part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of the Companies Act, 1956 your Directors confirm as under :

- (i) that in the preparation of the Annual Accounts, applicable accounting standards have been followed;
- (ii) that the accounting policies are consistently followed and applied to give a true and fair view of the state of affairs of the Company ;
- (iii) that proper and sufficient care has been taken for the maintenance of accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company ;
- (iv) that the Annual Accounts have been prepared on a going concern basis.



PARTICULARS OF EMPLOYEES

The information required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, is not being furnished since there was no employee during the year who was in receipt of remuneration exceeding the prescribed limits.

Messrs. Lovelock & Lewes, Chartered Accountants, the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting of the Company and are eligible for re-appointment.

Kolkata, 3rd June, 2009

For and on behalf of the Board

A. KHAITAN – Director

R. S. JHAWAR – Director

ANNEXURE TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The financial year 2008-2009 saw a great economic depression worldwide following the sub-prime mortgage crisis in the U.S. the impact of which was very much felt by the Indian economy as well. Consequently, the rate of inflation, interest rates and the stock market indices which had touched their peaks had started declining rapidly. The economy experienced acute shortage of liquidity resulting in drastic fall in demand of all goods and services. To combat the recession, the Governments of all the leading economies offered large stimulus packages for flow of liquidity into the system, revival of demand and ultimate recovery of industries.

The Government of India and Reserve Bank of India took similar steps which have started yielding results. The Companies engaged in the financial sector who had faced very rough weather are now experiencing a better comfort level in a market with more liquidity, low inflation and falling interest rates. The stock market has also started reviving significantly with the formation of the new stable Government at the centre.

OPPORTUNITIES AND THREATS, RISKS AND CONCERNS

With the large stimulus packages offered by the Government of India and various fiscal and monetary measures adopted by the Reserve Bank of India from time to time resulting in reducing inflation to a great extent and fall in interest rates. Adequate liquidity has been injected into the economy and the stock markets have also revived substantially.

The Company's principal business is investment and lending of funds. The present circumstances offer enough scope for the growth of the Company as the performance of its investee companies has also improved resulting in increased earnings for the Company for the current year.

The Company is a part of the Williamson Magor Group possessing good infrastructure and carries a good reputation in the Corporate World.

D1 Williamson Magor Bio Fuel Ltd., expects to make a sub - commercial harvest of crop during the current year and commence commercial production in the year 2010-11.



The Company being a Joint Venture Partner of the said Company, also expects to benefit from the said Venture in the years to come.

The Company holds large investments in its various associate and group companies and, therefore, its performance depends to a large extent on the performance of its investee companies.

OUTLOOK

The revival of the economy and improved liquidity with lower interest rates and also the revival of the stock market offer good opportunities to the Companies engaged in the financial sector to improve their performance. In view of this, your Directors are optimistic about better performance of your Company in the current year.

INTERNAL CONTROL SYSTEM

The Company maintains a system of Internal Control commensurate with its size. The Internal Auditors regularly review the operations. The Audit Committee reviews the adequacy of Internal Control System at regular intervals and provides guidance for improvement.

The Risk Management Committee formed by the Company pursuant to the Listing Agreement also has a policy by which it periodically reviews the various risks to which the Company is exposed to and ensures proper record maintenance and proper legal compliances for exercising effective Internal Control.

Moreover, the KYC Norms (i.e. Know Your Customers Norms) and the Fair Practices Code as per the RBI directives act as integral parts of the overall Internal Control System.

HUMAN RESOURCES

There is no material development on the Human Resources front. The Company maintains harmonious relationship with its employees.

CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market information contained in this Report has been based on information gathered from various published and unpublished reports, and their accuracy, reliability and completeness cannot be assured.

Kolkata, 3rd June, 2009

For and on behalf of the Board

A. KHAITAN : Director

R. S. JHAWAR : Director

**ANNEXURE TO DIRECTORS' REPORT****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

FORM A**CONSERVATION OF ENERGY**

A) Power & Fuel Consumption	Nil
B) Consumption per unit of production	Nil

FORM B

RESEARCH AND DEVELOPMENT	Nil
TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION	Nil
FOREIGN EXCHANGE EARNINGS & OUTGO	

Total Foreign Exchange :

Earned	Nil
Outgo	Rs.6.86 lakh

Kolkata, 3rd June, 2009

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For and on behalf of the Board

A. KHAITAN *Director*

R. S. JHAWAR *Director*