

KUMAR WIRE CLOTH MANUFACTURING COMPANY LIMITED



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**23rd Annual Report
2004-2005**

**Board of Directors:**

Mr. Jiten S. Choksey
Mr. Sushil D. Choksey
Mr. Kalu Trilochan Pal
Mr. Panna Bansu Pal

Auditors:

M/s. J. H. GHUMARA & Co.
Chartered Accountants
Mumbai.

Bankers:

Karnataka Bank Ltd.

Registered Office

D- 23, MIDC , Taloja
Taluka- Panvel,
District Raigad,
Maharashtra
Pincode- 410 218.

Factory:

D- 23, MIDC , Taloja
Taluka- Panvel,
District Raigad,
Maharashtra.
Pincode- 410 218.

23rd ANNUAL REPORT 2004-2005**NOTICE**

Notice is hereby given that the **Twenty Third** Annual General Meeting of **KUMAR WIRE CLOTH MANUFACTURING COMPANY LIMITED**, will be held at on **Friday, September 30, 2005** at 10.00 AM at its Registered Office at D-23, MIDC, Taloja, Taluka- Panvel, District: Raigad, Maharashtra to transact the following business;

Ordinary Business

1. To receive, consider, approve and adopt the Audited Balance sheet as at 31st March 2005 and the Profit and Loss Account for the Year ended as on that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Panna Pal who retires as director & being eligible offers himself for reappointment.
3. To appoint Auditors and to authorize the Board to fix their remuneration.

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By order of the Board of Directors
For Kumar Wire Cloth Manufacturing Co. Ltd.

PLACE : MUMBAI
DATE : 02/09/2005


JITEN CHOKSEY
Chairman

Registered Office:

D-23, MIDC, Taloja, Taluka- Panvel, District: Raigad, Maharashtra.

KUMAR WIRECLOTH MANUFACTURING COMPANY LIMITED**NOTES**

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

1. The proxy form should be lodged with the company at its Registered Office at least 48 hours before the time of the meeting.
2. The Register of members & Share Transfer Books of the Company will remain closed from Tuesday, September 27, 2005 to Friday, September 30, 2005 (both days inclusive).
3. Members are requested to promptly notify any changes in their address to the company at its Registered Office.
4. All documents referred to in the notice are open for inspection at the registered office of the company during office hours on all days except Friday and Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
5. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as "proxy".
6. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
7. The members desirous of getting any information about the accounts and operation of the company are requested to address their queries to the company in writing at its registered office at least 10 days before the meeting. So that the same can be replied at the time of Annual General Meeting to the members satisfaction.
8. Members are requested to bring their copies of the reports to Annual General Meeting.

By order of the Board of Directors
For Kumar Wire Cloth Manufacturing Co. Ltd.

PLACE: MUMBAI
DATE : 02/09/2005


JITEN CHOKSEY
CHAIRMAN

Registered Office:

D-23, MIDC, Taloja, Taluka- Panvel, District: Raigad, Maharashtra.

23rd ANNUAL REPORT 2004-2005**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2005.

SUMMARISED FINANCIAL RESULTS :

(Rs. in Lacs)

	for the Year ended March 31, 2005	for the Year ended March 31, 2004
Profit before Interest & Depreciation	(00.69)	16.87
Less: Interest	31.04	44.07
Profit before Depreciation	(31.73)	(27.20)
Less: Depreciation	30.38	35.71
Profit/(Loss) before Tax	(62.11)	(62.91)
Less: Interest – Income Tax/ Sales Tax	(24.46)	(17.18)
Net Profit /(Loss) after Tax	(86.57)	(80.09)
Profit /(Loss) b/f from Previous year	(621.15)	(541.06)
Profit/(Loss) carried to Balance Sheet	(707.72)	(621.15)

DIVIDEND

Due to loss incurred by the company, the Board does not recommend any dividend for the year under review.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a separate report on Corporate Governance and a Certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to the Directors' Report.

DISCLOSURE UNDER THE STOCK EXCHANGE LISTING AGREEMENT

In accordance with the amended Listing Agreement with respective Stock Exchanges, it is hereby confirmed that the Company's shares are listed at the Mumbai Stock Exchange.

**FIXED DEPOSITS**

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975.

INSURANCE:

The Assets of the Company are fully and adequately insured for all risks.

AUDITOR'S REPORT

Comments of Auditors in their report are self explanatory and do not call for any further clarification.

DIRECTORS:

In accordance with the provision of the Companies Act 1956 & the company's Articles of Association Shri Panna Pal, Director of the Company, retires by rotation at the forthcoming Annual General Meeting of the company and being eligible offer himself for re-election.

AUDITORS

M/s. J. H. Ghumara & Co. Chartered Accountants, Mumbai, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment.

PARTICULARS OF EMPLOYEES

The information required under section 217 (2A) of the Companies Act, 1956 and the rules framed there under is not furnished as none of the employees are in receipt of the remuneration as per the limits prescribed in these rules.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Particulars of conservation of energy, Technology Absorption and foreign Exchange earnings and out go pursuant to section 217(1) (e) of the Companies Act. 1956, read with the rules thereunder is given in the Annexure – A to this report.

DIRECTORS RESPONSIBILITY STATEMENT (Pursuant to Section 217 (2AA) of Companies Act, 1956):

- (i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made

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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 or loss of the company for that period.

(iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) that the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Board of Directors wishes to place on record its sincere appreciation for due co-operation received from the Company's Bankers. The Directors are also thankful to the employees at all levels for their continued support.

For and on behalf of the Board.




JITEN CHOKSEY
(Chairman)

PLACE: MUMBAI

DATE : 02/09/2005

KUMAR WIRECLOTH MANUFACTURING COMPANY LIMITED

**ANNEXURE TO THE DIRECTORS' REPORT (Annexure – A)****FORM B:**

Disclosure of Particulars with respect to Technology Absorption
(to the extent applicable)

Research and Development (R& D)

- | | |
|---|----------------|
| 1. Specific areas in which R&D carried out by the Company | None |
| 2. Benefits derived as a result of the above R&D | Not Applicable |
| 3. Future Plan of Action | Not at present |
| 4. Expenditure on R&D: | |
| a. Capital |) |
| b. Recurring |) NIL |
| c. Total |) |
| d. Total R&D expenditure (as a percentage of total turnover |) |

Technology Absorption, Adaption & Innovation

- | | |
|--|----------------|
| 1. Efforts in brief, made towards technology absorption, adaption and innovation | Not Applicable |
| 2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product developments, import substitution etc. | Not Applicable |
| 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished. | |
| a. Technology imported and year of import | Not Applicable |
| b. Has Technology been fully absorbed? | Not Applicable |
| c. If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action | Not Applicable |

FOREIGN EXCHANGE EARNING AND OUTGO

Particulars with regard to Foreign Exchange Earnings and Outgo are as set out in note F, G & H in Notes to the Accounts.

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AUDITOR'S REPORT

THE MEMBERS OF

KUMAR WIRECLOTH MANUFACTURING COMPANY LIMITED

- I. We have audited the attached Balance Sheet of **Kumar Wire Cloth Manufacturing Company Limited** as at 31st March 2005 and the Profit and Loss Account and 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.
- II. 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 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- III. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of the said order such checks of the books of account and records of the company as we considered appropriate, we enclose in the Annexure a statement on the matters specified in the paragraph 4 and 5 of the said Order.

Further to our comments in Annexure referred to in paragraph 3 above:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.
- (b) In our opinion proper books of accounts as required by law have been kept by the company so far as it appears from the examination of these books.
- (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
- (d) In our opinion the Balance Sheet and the Profit and Loss Account comply, in all material respects with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956.
- (e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as at 31st March 2005 from being appointed as a director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956
- (f) In our opinion and to the best of our information and explanations given to us the said accounts read with other notes thereon, gives the information required by the Companies Act, 1956 in the

KUMAR WIRECLOTH MANUFACTURING COMPANY LIMITED



manner so required and gives a true and fair view:

- i. in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2005.
- ii. in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

sd/
For **J. H GHUMARA & CO.**
CHARTERED ACCOUNTANTS

sd/
J. H GHUMARA
Proprietor

Place : Mumbai,

Date : September 2, 2005

