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**KUMAR WIRE CLOTH MANUFACTURING
COMPANY LIMITED**



**28th Annual Report
2009-2010**

28th ANNUAL REPORT 2009-2010

Board of Directors:

Mr. Jiten S. Choksey
Mr. Sushil D. Choksey
Mr. Subhash Mayekar
Mr. Omprakash Yadav
Mr. Kamlesh Dubey

Auditors:

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

Bankers:

Karnataka Bank Ltd.
Dena Bank

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.



NOTICE

Notice is hereby given that the **Twenty Eighth** Annual General Meeting of **KUMAR WIRE CLOTH MANUFACTURING COMPANY LIMITED**, will be held on Thursday 30th September, 2010 at its Registered Office at D-23, MIDC, Talaja, Taluka- Panvel, District: Raigad, Maharashtra – 410218 at 10.00 AM to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider approve and adopt the Audited Balance sheet as at 31st March 2010 and the Profit and Loss Account for the Year ended as on that date and the Reports of the Director's and Auditor's thereon.
2. To Appoint a Director in place of MR. SUSHIL CHOKSEY who retires by rotation and, being eligible offers himself for reappointment.
3. To Appoint a Director in place of MR. SUBHASH MAYEKAR who retires by rotation and, being eligible offers himself for reappointment

SPECIAL BUSINESS:

1. To consider and, if the thought fit, to pass with or without modification/s, if any, the following business as an Ordinary Resolution:

"RESOLVED THAT Amar Bafna & Associates, Chartered Accountants, Mumbai, be and are hereby appointed as the Statutory Auditors of the Company in place of J. H. Ghumara & CO., Chartered Accountants, Mumbai, the Retiring Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company on such remuneration to be fixed in consultation with the Board of Directors plus re-imbursement of out of pocket expenses, if any."

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

Place : Mumbai
Date : 22nd July 2010

JITEN CHOKSEY
(Chairman)

Registered office:
D-23, MIDC, Talaja, Taluka-Panvel, District : Raigad, Maharashtra -410 218.

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NOTES:

1. 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.

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 28th September, 2010 to 30th September, 2010.
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 of 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 are requested to bring their copies of the reports at the Annual General Meeting.
7. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with share certificates to the Company.
8. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/ correspondence, if any, directly to the Registered Office of the Company.

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

**Place : Mumbai
Date : 22nd July 2010**

**JITEN CHOKSEY
(Chairman)**

Registered office:
D-23, MIDC, Taloja, Taluka-Panvel, District : Raigad, Maharashtra -410 218.

ANNEXURE TO THE NOTICE

Explanatory Statement: (pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 1

The existing Auditors of the Company J. H. Ghumara & CO., Chartered Accountants, Mumbai, have expressed their unwillingness to be reappointed as a Statutory Auditors of the Company for the Financial Year 2010-2011.

In view of the same, the Board of Directors of the Company had discussions with Amar Bafna & Associates, Chartered Accountants, Mumbai, to be appointed as Statutory Auditors of the Company for the Financial Year 2010-2011 in place of the retiring Auditors.

Subsequently the Board of Directors at their Meeting held on 22nd July, 2010 has recommended Appointment of Amar Bafna & Associates, Chartered Accountants, Mumbai as Statutory Auditors of the Company for the Financial Year 2010-2011 subject to the approval of the Members at the forth coming Annual General Meeting.

The Board of Directors wish to inform you that as per the Securities and Exchange Board of India Circular CIR/CFD/DIL 2010 Dated 5th April, 2010 Statutory Audit Reports submitted to the concerned Stock Exchanges shall be given only by those Auditors who have subjected themselves to the peer review process of the ICAI and who hold a valid certificate issued by the 'Peer Review Board' of the said Institute.

The said firm of Chartered Accountants has already furnished the required Certificate under Section 224 (1B) of the Companies Act, 1956 alongwith a 'Peer Review Certificate' issued to the said Firm by the 'Peer Review Board' of the ICAI.

None of the Directors of the Company may be deemed to be concerned or interested in the passing of the said resolution.

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

PLACE: MUMBAI

DATE: 22nd July 2010

JITEN CHOKSEY
CHAIRMAN

DIRECTORS' REPORT

Dear Shareholders,

Your Directors hereby present the Twenty Eighth Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2010

FINANCIAL HIGHLIGHTS:

	Year ended 31-03-2010 (Amt in Rs.)	Year ended 31-03-2009 (Amt in Rs.)
Profit before Interest & Depreciation	(207933)	(403626)
Less: Interest	NIL	NIL
Profit before Depreciation	(207933)	(403626)
Less: Depreciation	(1241949)	(1423478)
Profit/(Loss) before Tax	(1449882)	(1827104)
Less: Provision for Tax	(211494)	(2035143)
Net Profit /(Loss) after Tax	(1238388)	(3862247)
Profit /(Loss) b/f from Previous year	(105856793)	(101994546)
Profit/(Loss) carried to Balance Sheet	(107095181)	(105856793)

DIVIDEND:

The Board do not recommend any dividend for the year under review, in view of losses incurred by the company.

DIRECTORS

In accordance with the provision of the Companies Act, 1956 and Articles of Association of the Company, MR. SUSHIL CHOKSEY and MR. SUBHASH MAYEKAR retire by rotation and are being eligible offer themselves for re-appointment.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement following have been made a part of the Annual Report:

- Management discussion and Analysis
- Corporate Governance Report
- Auditors Certificate regarding compliance of conditions of the Corporate Governance
- Declaration on compliance with code of Conduct.

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 Bombay Stock Exchange Limited and Ahmedabad Stock Exchange Limited.

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.

AUDITORS:

Your Company has received a letter from J. H. Ghumara & CO., Chartered Accountants, Mumbai the retiring Auditors of the Company expressing their unwillingness to seek re-election for the Financial Year 2010-2011 at the forthcoming Annual General Meeting.

In view of the same the Board of Directors of your Company had a discussion with Amar Bafna & Associates, Chartered Accountants, Mumbai to be appointed as Statutory Auditors of the Company for the Financial Year 2010-2011 subject to approval of Shareholders in the forthcoming Annual General Meeting and they have already furnished their eligibility Certificate under Section 224 (1B) of the Companies Act, 1956 alongwith a 'Peer Review Certificate' issued to the said Firm by the 'Peer Review Board' of the ICAI.

AUDITOR'S REPORT

The comments and remarks from Auditors are self explanatory and do not call for any further clarification.

SECRETARIAL COMPLIANCE REPORT:

Secretarial Compliance Report pursuant to Section 383A of the Companies Act, 1956 as issued by Company Secretary in Whole time in Practice is enclosed herewith.

PARTICULARS OF EMPLOYEES:

The Company has no employees of the specified categories under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

PARTICULARS REGARDING 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 there under is given in the Annexure – A to this report.

DIRECTORS' RESPONSIBILITY STATEMENTS (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 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.

APPRECIATION: The Board of Directors wishes to place on record its sincere appreciation for due co-operation received from the Company's Bankers and others for their continued support and co-operation.

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

Place : Mumbai

Date : 22nd July 2010

JITEN CHOKSEY

(Chairman)



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 NIL
 - b. Recurring NIL
 - c. Total NIL
 - d. Total R&D expenditure (as a percentage of total turnover) NIL

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 Not Applicable
e.g. product improvement, cost reduction product developments, import substitution etc.
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 therefore and future plans of action Not Applicable

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

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

PLACE : MUMBAI

DATE : 22nd July 2010

JITEN CHOKSEY
CHAIRMAN

FORM
[SEE RULE 3]

Compliance Certificate

Registration No.: L74999MH1981PLC024249

Nominal Capital: Rs 4,00,00,000/-

To,
The Members,
KUMAR WIRE CLOTH MANUFACTURING COMPANY LIMITED
D-23 MIDCTALOJA
PANVEL, RAIGAD
Maharashtra 410218

I have examined the registers, records, books and papers of **KUMAR WIRE CLOTH MANUFACTURING COMPANY LIMITED** 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, 2010. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I 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 Companies Act, 1956 (herein after referred to as the Act) and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Maharashtra, as prescribed under the Act and the rules made there under for the financial year under review.
3. The Company being Public Limited Company has the minimum prescribed paid-up capital and comments regarding number of its members and subscription of shares and acceptance of deposits from persons other its members and directors are not required.
4. The Board of Directors duly met **05 times** on 29/04/2009, 31/07/2009, 31/08/2009, 31/10/2009, 30/01/2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

M/s. Milind Nirkhe & Associates
Company Secretaries