

KUWER INDUSTRIES LIMITED

17th ANNUAL REPORT

2009-2010

Annual Report 2009-2010

KUWER INDUSTRIES LIMITED

REGISTERED OFFICE- D-1004, FIRST FLOOR, NEW FRIENDS COLONY, NEW DELHI -110065

DIRECTORS

Mr. Jai Bhagwan Aggarwal	Managing Director
Mr. Tarun Aggarwal	Whole- time Director
Mr. Shailesh Gupta	Director
Mr. Yashpal Sharma	Director
Mr. Pankaj Gupta	Director
Mr. Dinesh Kumar Dwivedi	Director

AUDITORS

M/s. Vinod Ralhan & Co.,
Chartered Accountants
B-4/ 148C, Safdarjung Enclave
New Delhi- 110029

DATE	Annual General Meeting -2010 30 th Sept 2010
DAY	Thursday
TIME	11.00 A.M.
VENUE	D-1004, First Floor, New Friends Colony New Delhi – 110065

Registrar and Share Transfer Agents

SKYLINE FINANACIAL SERVICES PVT. LTD.
123 Vinobapuri
Lajpat Nagar II
New Delhi- 110024

NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the 17th Annual General Meeting of the Company will be held on Thursday, the 30th day of September, 2010 at 11:00 A.M. at D-1004, First Floor, New Friends Colony, New Delhi - 110065 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the financial year ended on 31st March, 2010 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shailesh Gupta, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint Statutory Auditors for the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, to fix their remuneration and to authorize them also to conduct audit of accounts of the Company's branches.

FOR AND ON BEHALF OF THE DIRECTORS OF
KUWER INDUSTRIES LIMITED.

Sd-
J.B.AGGARWAL
MANAGING DIRECTOR

Sd-
TARUN AGGARWAL
DIRECTOR

Date: 01.09.2010
Place: New Delhi

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING ISENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE A MEMBER OFTHE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVEDBY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THECOMMENCEMENT OF THE MEETING. A BLANK FORM OF PROXY IS ENCLOSED.
2. The Register of Members of the Company will remain closed from Thursday, 23rd September, 2010 to Thursday, 30th September, 2010 (both days inclusive).
3. Shareholders are requested to notify change in their address along with PIN CODES, to the Company at its Registered office quoting their Folio Numbers.
4. Shareholders who are holding shares in identical order of name in more than one folio are requested to write to the Company enclosing their share certificates to enable the Company to Consolidate their holding in one folio.
5. Members are requested to bring their copy of Annual Report. No extra copy would be available for distribution at the meeting.
6. Shareholders/ Proxy are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
7. Members who are holding Company`s shares in dematerialized form are requested to bring details of their Depository Account Number for identification
8. The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 10 days before the date of the meeting.
9. No Hand bags/ Parcels of any kind are allowed inside the meeting hall. The same will have to be deposited outside the Meeting hall on the counter provided, at the shareholders`/ proxies `own risks.

FOR AND ON BEHALF OF THE DIRECTORS OF
KUWER INDUSTRIES LIMITED.

Sd-
J.B.AGGARWAL
MANAGING DIRECTOR

Sd-
TARUN AGGARWAL
DIRECTOR

Date: 01.09.2010
Place: New Delhi

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 17th Annual Report of your Company together with Audited Accounts for the ended 31st march 2010.

PERFORMANCES:

The total turnover achieved by your company during the under review is Rs 1622.70 Lacs. Your Directors are of the opinion that the company has the immense potential and adequate resources to achieve the rapid rate of growth in the coming years.

	2009-2010 (RS IN LACS)	2008-2009 (RS IN LACS)
Turnover	3209.90	3677.63
Depreciation	79.40	67.05
Net profit	26.07	38.20
Less: provision for taxation	6.92	5.63
Profit/Loss after tax	10.14	23.24
Appropriation:		
Proposed dividend	NIL	NIL
Transfer to general reserve	10.14	1.91

DIVIDEND:

Your directors have decided not to declare dividend for the year.

DIRECTORS:

In accordance with the provision of the companies act, 1956 and Articles of association of the Company Shri Shailesh Gupta, retires by rotation at the ensuring Annual General Meeting and being eligible offers himself for the re- appointment.

AUDITORS:

M/S Vinod Ralhan & Co., Chartered Accountant, New Delhi, statutory Auditors of your Company, retire from their office. They are however eligible for re-appointment and have furnished certificate to effect that their appointment. If made, will be within the limits specified in sub section (I-B) OF SECTION 224 of the act and offers themselves for re-appointment. Your Company has received from them, the certificate required under Section 224(I-B) of the Companies Act, 1956. Your directors recommend their reappointment.

FIXED DEPOSITS:

The Company has not accepted any deposits under Section 58-A read under the Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS REPORT:

The observation made by the Auditors, have already been fully explained in the notes attached to the Accounts and therefore do not call for further comments under Section 217 (3) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES:

None of the employees of the company was in receipt of total remuneration of Rs 24,00,000/- of the financial year under review or Rs 20,00,000/- per month. Hence, the information under Section 217(2-A) on the Companies Act, 1956 read with Companies (particulars of Employees) Rules 1975 are not required to be furnished.

DIRECTORS' RESPONSIBILITY STATEMENT:

Directors' Responsibility statement as required under section 217(2AA) of the Companies Act, 1956 is as follows:

1. That in the preparation of the Annual Accounts for the financial year ended on 31st March, 2010 the Accounting Standards as prescribed by the Institute of Chartered Accountants of India and the Companies Act, 1956 as applicable to the Company had been followed.
2. 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 true and fair view of the state of affairs of the Company at the end of the financial year i.e. 1st April 2009 to 31st March 2010 and of the profits and loss of the company for that period.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors had prepared the Annual Accounts for the year ended on 31st March 2010 on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis report as required under the listing agreement with the Stock Exchange is enclosed as Annexure –A

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS& OUTGO

Information pursuant to 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 given in the enclosed ANNEXURE –B

INDUSTRIAL RELATIONS:

The Industrial relations continue to be very cordial. Your Directors wish to place on record their deep appreciation for depreciation and work put in the employees at their levels.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their sincere thanks for the excellent co-operation and assistance received by the Company from the shareholders, Financial Institutions, bankers, government Agencies during the year under review.

FOR AND ON BEHALF OF THE DIRECTORS OF
KUWER INDUSTRIES LIMITED

Sd-
J.B.AGGARWAL
MANAGING DIRECTOR

Sd-
TARUN AGGARWAL
DIRECTOR

Date: 01.09.2010
Place: New Delhi

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management discussion and analysis presents the industry Overview, opportunities and Threats, Initiatives by the Company and overall strategy of Kuwer Industries Limited becoming a manufacturer of various Transformers.

1. Industry Structure and Development:

The hologram industry is a growing one. The Indian hologram industry started in 1992. Worldwide hologram products began to enter the marketplace in the mid-1980s. Since then holographic industry has experienced an impressive growth. There are many companies who have experienced growth rates more than 30% a year, in the last few years. According to an estimate, there are about 300 companies worldwide making up this sector of holograph. The market comprises large international, national, and regional companies and even individuals.

2. Opportunities and threats Opportunities

- (i) With industries and government waking up to piracy and counterfeits, the business of holograms has a promising future.
- (ii) The Indian hologram market is growing at 20 percent per annum as People are looking for a hologram on documents, bank notes, and products

Threats

- i) Threats to be faced by our company are same as of the threats which any other company of this industry will face. Variation in standards across the industry imposes systematic risks, which can be a potential threat.

3. Initiatives taken by the Company

The company is giving its best efforts for flourish its business and works. It has a strong perception that the business will grow in upcoming years.

4. Financial Performance

During the year the company has earned Profit of Rs. 2,607,065 before tax and Net Profit after tax is Rs. 1,014,070. Company is continuously looking to generate some positive vibes by exploring new projects, contracts from different sectors of industries and committed to generating profits into the company.

5. Segment Wise/Product Wise Reporting

The company is primarily engaged in the business of wide range of holographic products that are very functional for brand promotion and security authentication. Our products are available in different specifications of raw materials and manufacturing technologies.

Moreover, Company impart a number of security features to the holograms during the designing process for making it- Highly Secure Holographic products.

Our range of products includes:

- Holograms
- Holographic Films
- Lacquered / Coated Films
- Tamper Evident Films
- Windows / Dematallized Films
- Holographic Sequin Films

6. Outlook

Company's performance during the year was just satisfactory but we are of firm view that we will be able to grow Business in future.

7. Risks and concerns

With the new entrants in Industry, new and developed techniques of manufacturing and other forward steps, other players are taping the Industry segment very steeply.

8. Internal Control Systems and their adequacy

The company has a proper and adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly. Proper controls and checks are exercised by the company by following the procedures prescribed in the various manuals. The Audit Committee of the Board reviews Internal Control Systems of the company on periodical basis

9. Human Resources

The Company has adequate human resources which is commensurate with the current volume of activity and is reviewed by the management periodically and the company would induct competent personnel on increase/ expansion of the activity.

10. Cautionary Statement

The Management Discussion and Analysis statement of the Annual Report has been included in adherence of the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing the Company's objectives, projects, estimates, expectations may be 'forward – looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference of the Company's operation include economic conditions affecting demand.

ANNEXURE 'B' TO THE DIRECTORS REPORT

A) CONSERVATION OF ENERGY

1) More stress has been laid on preventive maintenance to enhance availability, reliability and efficient working of motors and machines, thereby reducing the electricity consumption.

2) Steam, air and water leakages have been plugged and regular check introduced to avoid any loss.

3) Steam pipe insulation, wherever found defectives, repaired to avoid any heat loss.

B) TECHNOLOGY ABSORPTION

The company always tries for the development of better materials at optimum cost. The company has not made use of an imported on its products. It has always placed emphasis on development of indigenous technology.

C) FOREIGN EXCHANGE EARNING AND OUTGO:

		(In Rs.)
i) Foreign Exchange Earning	:	Nil
ii) Foreign Exchange Outgo	:	5,770,666

FOR AND BEHALF OF THE BOARD OF DIRECTORS OF

KUWER INDUSTRIES LIMITED.	
Sd-	Sd-
J.B.AGGARWAL	TARUN AGGARWAL
MANAGING DIRECTOR	DIRECTOR

Place : New Delhi
Date : 01.09.2010