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20th Annual General Meeting

Date	30th September, 2013
Day	Monday
Time	10.00 A.M.
Place	339, Kishan Garh, Vasant Kunj, New Delhi 110070

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Jai Bhagwan Aggarwal
Mr. Tarun Aggarwal
Mr. Shailesh Gupta
Mr. Yashpal Sharma
Mr. Pankaj Gupta
Mr. Dinesh Kumar Dwivedi

Managing Director
Whole Time Director
Non Executive Director
Independent Director
Independent Director
Independent Director

REGISTERED OFFICE

D-1004, First Floor,
New Friends Colony,
New Delhi 110065.
Tel. 011 2684 8636

CORRESPONDENCE OFFICE

A-71/72, Sector- 58, Noida,
Uttar Pradesh 201301
Tel :91-120-2580088, 2580937
Fax: 91-120-2580514

AUDITORS

PVSP & Co.
(Formerly known as Bhatia Praveen & Co.)
Chartered Accountants
5 Pusa Road New Delhi 110005
Tel. No.+91-11-47177000

REGISTRAR AND SHARE TRANSFER AGENTS

M/s Skyline Financial Services Private Limited
1st Floor, D-153A, Okhla Industrial Area,
Phase I, New Delhi 110 020
Tel No. +91-11-26812682, 26812683

BANKERS OF THE COMPANY

State Bank of Bikaner & Jaipur
HDFC Bank

LISTED AT

BSE Limited
Delhi Stock Exchange Limited

COMPANY SECRETARY

Ms. Seema Mathur

COMPLIANCE OFFICER

Mr. Tarun Aggarwal

EMAIL AND WEBSITE

For Company & Investor grievances -
investor.kuwer@gmail.com
For Compliance Officer -
info@kuwer.com, tarun@kuwer.com
Website- www.kuwer.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 20th Annual General Meeting of the members of the Company will be held on Monday, the 30th September, 2013 at 10.00 A.M. at the 339, Kishan Garh, Vasant Kunj, New Delhi 110070 to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, the statement of Profit & Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon for the year ended 31st March, 2013.
2. To re-appoint Mr. Shailesh Gupta as director who retires by rotation and being eligible offers himself for Re-appointment.
3. To re-appoint Mr. Pankaj Gupta as director who retires by rotation and being eligible offers himself for Re-appointment.
4. To appoint M/s PVSP & Co. (Formerly known as Bhatia Praveen & Co.), Chartered Accountant as Statutory Auditors of the Company having Firm Registration No. 08940N to hold office from the conclusion of this Annual General Meeting until the conclusion of Next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:-

5. **To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution.**

“RESOLVED THAT pursuant to Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves of the reappointment and revision in terms of remuneration of Mr. J.B. Aggarwal, Managing Director of the Company for the period from 1st October, 2013 to 30th September, 2018 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr. J.B. Aggarwal.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

6. **To consider and if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provision of section 198, 269, 309, 310 and Schedule XIII of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or reenactment thereof for the time being in force) and pursuant to the Article of Association of the Company, the Company hereby approves of the revision in the terms of remuneration of Mr. Tarun Aggarwal, Whole Time Director of the Company by way of an increase in the amount of his salary as mentioned in the explanatory statement annexed herewith to the notice with effect from October 1, 2013.

RESOLVED FURTHER THAT the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

For Kuwer Industries Limited
Sd/-
Tarun Aggarwal
Whole Time Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANY OTHER PERSON AS HIS / HER PROXY TO ATTEND AND VOTE (IN CASE OF POLL) INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. 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. A PROXY FORM IS APPENDED WITH ADMISSION SLIP.**
2. Corporate members are requested to send the Company a duly certified copy of the Board Resolution, pursuant to section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 23rd September, 2013 to Monday, 30th September, 2013 (both days inclusive).
4. As a measure of economy and a step toward green initiative, Members are requested to bring their copy of Annual Report to the meeting. Members/ Proxies should bring the attendance slip duly filled in and signed for attending the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, between 11.00 a.m. to 1.00 p.m. up to and inclusive of the date of the Annual General Meeting.
7. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Registrars and Transfer Agents the details as required in Form 2B. Members holding Shares in Electronic form should send the above information to the respective Depository Participants only.
8. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their Bank details, nominations, power of attorney, change of address/name etc. to their depository participants only and not to the company or its Registrar and Transfer Agent and Company. The said changes will automatically be reflected in Company's records.
9. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio No. in the attendance slip for attending the meeting.
10. The Company is desirous of sending various documents in electronic form to the email addresses provided by the members and made available by the depositories. All the members of the company are requested to register their email addresses and changes therein, from time to time, with the concerned depositories.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM 5 & 6.

ITEM NO. 5: REAPPOINTMENT OF MR. J. B. AGGARWAL AS THE MANAGING DIRECTOR OF THE COMPANY AND REVISION IN THE SALARY PAID TO MR. J. B. AGGARWAL

5. Mr. J. B Aggarwal was appointed as the Managing Director of the Company in the Annual General Meeting of the Company by the Shareholders. His tenure is due to be terminated in the ensuing Annual General Meeting. Further his continuous association with the Company is necessary for conducting the business successfully, hence it is thought expedient to reappoint Mr. J.B. Aggarwal as the Managing Director of the Company for a further term of 5 years. The existing remuneration of Mr. J. B. Aggarwal, Managing Director of the Company was approved by the members of the Company at the time of first appointment as Managing Director of the Company and it was not increased since then, taking into consideration the increased business activities of the Company and the responsibilities cast on Mr. J. B. Aggarwal, the remuneration committee in its meeting held on 14th Day of August, 2013, has approved the revision in the salary of Mr. J. B. Aggarwal from Rs. 25,000 p.m. to 50,000 p.m., with effect from October 1, 2013 and all other perquisites as were approved by the shareholders initially at the time of appointment of Mr. J.B Aggarwal as the Managing Director of the Company for first time shall remain unchanged.

In compliance with the provisions of Sections 198, 309, 310 and all other applicable provisions, if any, of the Act, read with Schedule XIII of the Act, the revised terms of remuneration of Mr. J. B. Aggarwal as specified above are now being placed before the Members for their approval by way of special Resolution.

Mr. J. B. Aggarwal and Mr. Tarun Aggarwal are concerned or interested in Item No. 5 of the accompanying Notice.

The Board commends the Resolution at Item No. 5 for approval by the Members.

ITEM NO. 6: TO APPROVE THE REVISION IN SALARY OF MR. TARUN AGGARWAL THE WHOLE TIME DIRECTOR OF THE COMPANY.

6. Existing remuneration of Mr. Tarun Aggarwal, Whole Time Director of the Company was approved by the members of the Company. Taking into consideration the increased business activities of the Company and the responsibilities cast on Mr. Tarun Aggarwal, the remuneration committee, in its meeting held on 14th Day of August, 2013, has approved the revision in the salary of Mr. Tarun Aggarwal from Rs. 20,000 p.m. to 40,000 p.m., with effect from October 1, 2013.

In compliance with the provisions of Sections 198, 309, 310 and all other applicable provisions, if any, of the Act, read with Schedule XIII of the Act, the revised terms of remuneration of Mr. Tarun Aggarwal as specified above are now being placed before the Members for their approval.

Mr. Tarun Aggarwal and Mr. J.B. Aggarwal shall be deemed concerned or interested in Item No. 6 of the accompanying Notice.

For Kuwer Industries Limited

Date: 30.08.2013
Place: New Delhi

Sd/-
Tarun Aggarwal
Whole Time Director

**Details of Directors seeking Re-appointment at the Annual General Meeting
(In pursuance of Clause 49 of the Listing Agreement)**

Name of Director	Mr. Shailesh Gupta	Mr. Pankaj Gupta	Mr. J.B. Aggarwal
Date of Birth	10.07.1971	04.11.1961	04.04.1937
Age	42 Years	51 Years	76
Date of Appointment	16.07.2001	01.10.2003	01.10.2013
Qualification	B Com. (Hons)	B.A. (Hons.)	B.Com
Expertise in specific functional areas	Financial Management	Operational Management	Strategic Management
Directorship held in Other Companies	R.K. Motels (India) Private Ltd., Seth Daulat Ram Sri Ram Private Limited, Indraprastha Kutir Udyog Private Limited, Harish Chandra Infrastructure Pvt. Ltd, Harish Chandra (India) Ltd.	Nil	New Delhi Auto Finance Private Limited, Ellora Mechanical Products Pvt Ltd, Kuwer Packaging Pvt. Ltd., JTV Labels Private Limited.
Committee Positions*in the Board of Director of Company	2, Chairman in Shareholder Grievances Committee and Member in Remuneration Committee	1, Member in Audit Committee	Nil
Committee Positions*in other Public Companies	Nil	Nil	Nil
Number of Shares held	Nil	Nil	1112150

BOARD OF DIRECTORS' REPORT

Dear Stakeholders,

Your Directors are pleased to present herewith their Report on the business and Operation of the Company together with the Audited financials for the year ended on 31st March, 2013.

FINANCIAL RESULTS

(Rupees in Lacs)

<i>Particulars</i>	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
Sales	1526.82	1846.58
Other Income	93.51	80.36
Total Income	1620.33	1926.94
Total Expenditure	1391.83	1705.10
Profit/(Loss) before Finance Cost & Depreciation	228.50	221.84
Finance Cost	134.74	122.52
Depreciation	86.19	85.31
Profit/(Loss) before tax	7.57	14.01
Tax	5.88	9.19
Net Profit & (Loss)	1.69	4.82
Paid Up Share Capital	509.50	509.50

REVIEW OF OPERATIONS

During the year under review the Company has recorded total revenue of Rs. 1620.33 Lacs as compared to Rs. 1926.94 Lacs for the previous year and Net Profit of Rs. 1.69 Lacs for the year as compared to a Profit of Rs. 4.82 Lacs in the previous year. The net profit for this financial year has declined by approximately by 65 percent which was due to increase in the finance cost and decline in the sales of the product of the Company. The sales for the year under review were Rs. 1526.82 as compared to Rs. 1846.58 for the last year therefore registered a reduction in sales of 17.32 percent. Decline in the sale is on account of sluggish economic condition which affect the demand function. The other income for the year under review was up by 16.36 percent approximately amounting to Rs. 93.51 Lacs as compared to 80.36 Lacs for last year.

Your Company performed satisfactorily during the year, despite challenging economic conditions, Your Directors is of the opinion that the Company has the immense potential and adequate resources to achieve the rapid rate of growth in the coming years. Your Company hopes to increase its presence in the business in whole market in the coming years, which will significantly increase the top line and also its profitability.

DIVIDEND

The Board of Directors of your Company is of the opinion that during the year Company has not generated much profit and keeping in view the future fund requirements of the Company, your directors do not recommended any dividend for the financial year ended March 31, 2013. The Board assures you to present a much strong financial statements in coming years.

CHANGE IN SHARE CAPITAL

During the year under consideration the Authorised share Capital of the Company increased from Rs. 60000000 to Rs. 150000000. The Issued Subscribed and Paid-up Share capital of the Company remained unchanged during the year under review which is Rs. 50950000.

FAILURE OF PREFERENTIAL ISSUE

During the year under review Company has decided to allot 9500000 Equity Shares on the preferential basis to promoters and non promoters, by passing Special resolution through postal ballot, the result of which was declared on 27th March, 2013. All the related Compliances were duly made by the Company however the in-principle approval for the listing of Equity as aforesaid was rejected by the BSE Limited on the grounds of delay in filling the in-principle application and directed to seek fresh consent of the Shareholders, therefore the Company could not made the allotment of the Equity Shares.

LISTING

The securities of the Company are listed at BSE Limited and Delhi Stock Exchange Limited but the trading of the Equity Shares of the Company was suspended by BSE Limited. The Company has complied with all the compliances required to revoke the suspension of the trading of the Company and the suspension has been revoked successfully. Trading in Equity Shares of the Company has been commenced at BSE trading platform w.e.f 13th July 2012.

DEPOSITORY SYSTEM

Your Company's equity shares are available for dematerialisation through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2013, 72.64% of the equity shares of your Company were held in demat form.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis, forming part of this report, as required under Clause 49(IV) (F) of the Listing Agreement with the stock exchanges is attached separately to this Annual Report. **Annexure A**

DIRECTORATE

In accordance with the requirements of the Companies Act, 1956 and the Company's Articles of Association, Mr. Shailesh Gupta and Mr. Pankaj Gupta, the Directors of the Company retires by rotation and being eligible offers themselves for Re- appointment.

Mr. J.B. Aggarwal who was appointed as the Managing Director of the Company by the shareholders in the Annual General Meeting of the Company and whose term is due to determine in the ensuing Annual General Meeting. Having regard to the services rendered by Mr. J.B. Aggarwal the board recommends the re-appointment of Mr. J.B. Aggarwal as appended in the notice to the general meeting.

The remuneration of Mr. J. B. Aggarwal the Managing Director of the Company and Mr. Tarun Aggarwal the Whole Time Director of the Company are receiving the remuneration as decide at the time of their initial appointment and has not been increased since then. Having regards to the increased business responsibility and recommendation of remuneration committee it has been decided that the salary of both is to be increased subject to the approval of shareholders.

Brief resume of Directors proposed to be re-appointed, nature of their experience in their specific functional areas, name of the companies in which they hold directorship and membership/chairmanship of the Board Committees, shareholding as stipulated under Clause 49 of the Listing agreement with the stock exchanges forms part of the Notice.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of sub section (2AA) of section 217 of the Companies Act, 1956, the Directors confirm that:

- i. In the preparation of annual accounts for the financial year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- ii. The Directors 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 ended March 31st 2013 and of the profit or loss of the Company for that period.
- iii. 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. The Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

The Corporate Governance Report, as stipulated under Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges forms the part of this Report. The requisite Certificate issued by M/s PVSP & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to this report.

PARTICULARS OF EMPLOYEES

During the period under review, the Company does not have any employee who is covered under Section 217(2A) of the Companies Act 1956.

PUBLIC DEPOSIT

During the year under review, Your Company has not invited any deposits from the Public U/s 58 A of the Companies Act, 1956.

AUDITORS

The Auditors, PVSP & Co., (Formerly Bhatia Praveen & Co.) Chartered Accountants, having firm registration No. 08940N, hold office until the conclusion of the forthcoming Annual General Meeting and offer themselves for re-appointment. Auditors have confirmed that, their re-appointment, if made would be in the limits prescribed under section 224(IB) of the Companies Act, 1956 and also they are not disqualified in terms of section 226 of the Companies Act, 1956.

AUDITOR'S REPORT

The Auditor's Report dated 30th May 2013 on the financials statements of the company for the financial year 2012-13 does not have any reservation, qualification or adverse remarks. The report of auditor for financial year 2012-2013 is self explanatory and does not require any further comments or explanation from the Directors.

GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

In view of the 'Green Initiative in Corporate Governance' introduced by the Ministry of Corporate Affairs vide its circular no. 17/2011 dated 21st April 2011, all members who are holding shares of the Company in physical mode, are requested to register their e-mail IDs with the Company, so as to enable the company to send all notices/ reports/ documents/ intimations and other correspondences etc. through e-mails, in the electronic mode instead of receiving physical copies of the same.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

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.

ACKNOWLEDGMENT

Your Directors wish to place on record, their deep gratitude to our Bankers, Stock Exchanges and other Government Authorities for their continued support and patronage.

Your Directors wish to express their deep gratitude to all stakeholders for their continued support and patronage.

**For & On the Behalf of Board of Directors
Of Kuwer Industries Limited**

**Sd/-
Tarun Aggarwal
Whole Time Director**

**Sd/-
J. B. Aggarwal
Managing Director**

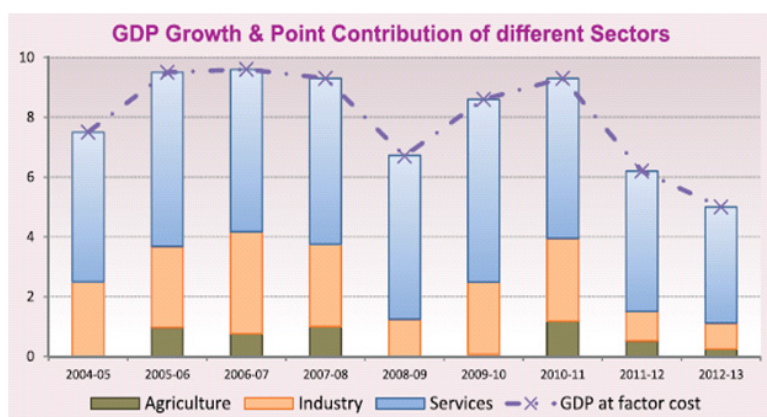
**Date: 28.08.2013
Place: New Delhi**

ANNEXURE 'A' TO THE DIRECTORS REPORT MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Board of Directors present herewith a the management discussion and analysis report for the the Financial year ended on 31.03.2013.

1. OVERVIEW OF INDIAN ECONOMY

After a promising start to the decade in 2010 -11 with achievement like GDP growth of 8.4 per cent, bringing down fiscal deficit to 4.7 percent from 6.4 of GDP in 2009-10, as well as containing current account deficit to 2.6 per cent from 2.8 per cent in 2009-10. GDP growth decelerated sharply to a nine year low of 6.5 per cent during 2011-12 and around 5% in 2012-2013. The trends of Indian GDP can be understood from the chart given below:



Source: Ministry of Statistics & Program Implementation

As the pace of growth started slowing, the Government revenues started shrinking, exposing the economy to a higher fiscal deficit. The current account deficit also widened. Beginning FY 2011-12, the corporate and infrastructure investment started slowing mainly due to investment bottlenecks and tight monetary policy. FY 2012-13 was marked by the challenge to the Government to contain the fiscal deficit, and the Government expenditure on infrastructure and other key sectors suffered. Further continuous depreciation in the value of home currency poses an extra risk for the Company as it constrained the central bank to take measures intended to suck the liquidity from the market and thus making capital more expensive. Further continuous depreciation in the value of home currency poses an extra risk for the Company as it constrained the central bank to take measures intended to suck the liquidity from the market and thus making capital more expensive.

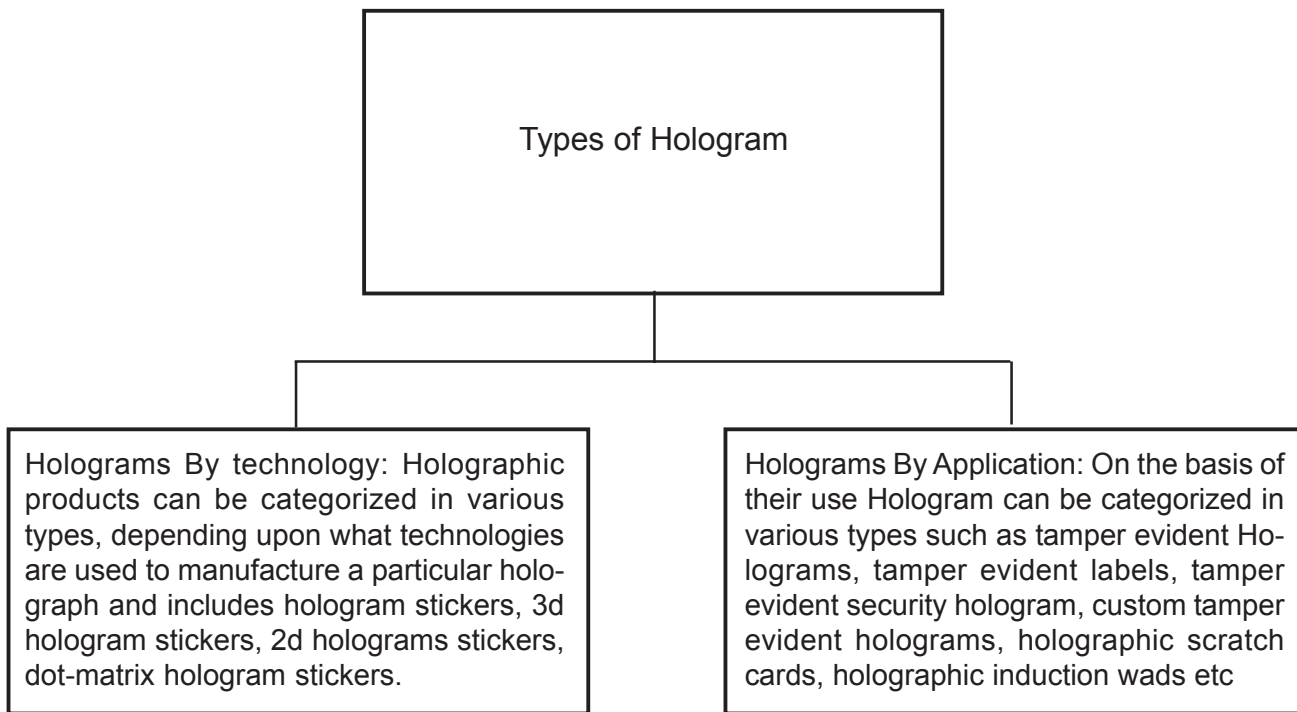
In view of above macro economic factors as explained above, the F.Y. 2013-14 may proves to be tough. The industry performance in the domestic market during FY 2012-13 and the Company's market share are given below:-

Industry Structure and Developments

Started in the early 1990s, the Indian hologram industry has since come a long way registering immense growth. Since the manufacture of these products find application in numerous fields such as pharmaceuticals, alcohol and beverages, lubricants, tobacco etc., it becomes all the more important and difficult at the same time to maintain quality at every step. Holographic solution is one of the main weapons used against counterfeiting of products and documents. India, where counterfeiting is widespread, the opportunities available for holographic industry are abundant.

TYPES OF HOLOGRAMS

Hologram can be divided in to two types majorly:



KUWER’S PRODUCT LINE

Company manufactures a wide range of Holographic Products. Some of the Key Products:

Holographic Films: The Company produced holographic films in all the important holographic formats including 2D, 2D/3D, 3D, dot matrix etc. We supply holographic film, polyester holographic film, Bopp holographic film, PVC holographic film, metalized holographic film, laminated film, security holographic film, plain Bopp film, heat sealable Bopp film, Bopp film, polyester film, lamination pouch holograms, lamination pouches, hologram plastic pouches, laminates, holographic films, holographic lamination films. The available thicknesses of different films are as follows:

Products	Thickness
Polyester Film	12 Microns
Polyester Film	23/36 Microns
BOPP Film - Plain	18/20 Microns
BOPP Film - Heat Sealable	18/20 Microns
Paper	70/90 GSM

Coated Film and Lacquered Film: Chiefly used in the production of metallic yarn and decorative packing materials, these films are available in various colors and thickness range. High quality coating also makes it possible for surface printing on these films. Company supply wide range of films like adhesive coated film, coating thin film, lacquered films, coated polyester film, metal coated film, PVC coated film, adhesive coated films, metalized lacquered film, lacquered film, coating thin film.

Tamper Evident Seal: Tamper evident seals/films, tamper evident security seals and tamper evident shrink seals are used for manufacturing holograms or packaging labels for a wide range of electronic goods and high-end products. Company manufactures tamper evident labels, tamper evident security seals and tamper evident shrink seals are provided with personalized security design and special seals that set quickly to the applied surface. These tamper evident films provide clear indication when the labels/seals has been removed. For more demanding applications, Company also custom design special tamper evident materials.

Window Demetallized Film: Window metalizing means providing a window (transparency) to the fully opaque metalized film in different patterns as per the needs of the customers. These window metalizing films, demetallized films and window demetallized films are used in flexible packaging mainly for products wherein the end customer wants to have a look at the product without the pouch being opened. Now days these films are for packing of food items like rice, sugar, salt etc. The Company supply window metalizing films, holographic sequin films, window demetallized films, indian plastic films, window films exporters, demetallized film suppliers, window films, plastic films.

Holographic Films for Textiles: Under this category the Company manufactures following products which have special demand:

Holographic Sequin Film: These are used to add elegance and beauty to any product. Sequin is small piece of sparkling metal/plastic, which is used for decorative purposes. These sequin films are available in various colors and thicknesses. The Company manufactures 125/150 X125 mmX505 M Holographic Sequin Film which are used in Computerized Embroidery Machine.

Hotfix Spangle: spangles are mostly used in textile & garment industry to develop various design effect on the fabrics or to embellish. The hotfix spangles can be availed in a plethora of designs with iridescent, metallic, transparent and colored effects. The color shades available includes metallic colors, rainbow colors, matte colors and ore. Company produces 50 Micron Petfilm with back glued in 44" and 48" thickness.

Features of the Product:

- Heat Resistant
- Anti Solvent
- Good Brightness
- Strong Color Fastness

Holographic Film for Glitter: Company produces brilliant range of holographic films that provides a metal flake look on indoor signs, displays, trims and the full range of printable from labels to massive exhibits. The sparkle of these films is compatible with all printing processes and inks. The range of holographic films is available in bright, luminescent and iridescent colors.

Holographic Film with Metallic Yarn: The Company Specialize in manufacturing holographic films for metallic yarns with protective coating in variety of colors and designs. These films are tamper evident, resistant high temperature and have a moisture proof adhesive backing.

Holographic Papers: Kuwer Industries Limited has added a new product in its basket. Holographic paper is a sheet of paper that has been embossed with a pattern or image and then coated in a very thin layer of metal. The resulting sheet has a distinctive iridescent sheen where the embossed design can be seen at certain angles. When the holographic paper is viewed from different perspectives, different parts will appear in various colors, creating a rainbow effect with the design still visible. The fields of marketing, security and the arts have all found uses for holographic paper.

Product Market & Geographical Market

Kuwer Industries Limited produces a wide range of products in order to satisfy the demands from various quarters but the Window Demetallized Film is most demanded product in the Market in India. This is used in the rice, sugar & salt packaging. Kuwer Industries alone capture the 90% market share in this segment. This product has the huge potential to grow in future and sound demand in India and also abroad. The Kuwer Industries Limited is the key player and has the relevant expertise in the manufacture of Window Demetallized Films.

Next in product line of Kuwer Industries Limited is Holographic Films. Kuwer Industries Limited produces wide range Holographic Films. Holographic films are the major contributor in the revenue of the Company after Window Demetallized Films. This product is technologically stronger and has good demand in the market.

Till now Kuwer Industries limited has presence in India and selling its products in various parts of India but from this year The Company has started to receive the export orders from abroad. The Company has decided to focus on the Middle East Asian Markets for selling its products. Company has received order of Export from Omen, Dubai, Egypt etc. Your Directors hope that in coming year Company will be receiving more export orders from Middle East as its product are popular in these areas.

2. OPPORTUNITIES AND THREATS

Opportunities

Growing Awareness about the Counterfeiting: The growing awareness among the businesses for establishing brand and preserving the brand identity has opened new vistas for the Hologram Business as it provides the solution to counterfeiting and duplicity. The Company offers range of products which uniquely provide the solution the counterfeiting & duplicity.

Exports from India: India has emerged as a major hub for global manufacturing with its advantage of lower input costs, availability of local supplier base and high domestic demand. As an established domestic manufacturer, the Company is ideally placed to take advantage for targeting lucrative international markets.

Development in the Organized Business activity: Now a days more and more business activities are getting organized. Growth in the readymade and manufactured food and pharmaceuticals also provide exciting opportunity to the Company.

Threats

Sliding Economy: Slowdown in the Indian and Global economy poses threat to the Company as it may result in the slowdown in the business of the Company.

Tight Liquidity: Recent measures taken central bank to curb the Liquidity may hit the interest which ultimately effects the capital requirement of the Company.

Competition by Industry Players: The stiff competition from Global and Domestic players also poses the serious threat to the Business.

3. STRENGTH & WEAKNESS

The strength of the Company lies within its strong technology, dedicated work force and good management Policies. Kuwer Industries Limited is technologically superior to other players in the same segment in few terms. Your Company has the UV Embossing Machine which is much superior to other Machines. This Machine is used in the manufacturing of Holographic sequin Film, Hotfix Spangle, Holographic Film for Glitters. Your Company is alone the player which has this machine except one or two players.

The weaknesses of the Company are same as of other players like unrest among the workers and the risk of the change in the regulatory framework to which Company is subject. Further congenial relationship with the suppliers and customers also a daunting task to do.

4. FINANCIAL PERFORMANCE

During the year the company registered income from operations (sale of Product) Rs. 1526.82 Lacs as compared to Rs. 1846.58 Lacs for the last year therefore registered a reduction in sales of 17.32 percent. Decline in the sale is on account of sluggish economic condition which affect the demand function. The other income for the year under review was up by 16.36 percent approximately amounting to Rs. 93.51 Lacs as compared to 80.36 Lacs for last year.

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. OUTLOOK

The Company's performance during the year was just satisfactory as compared to the previous year but your directors are of firm view that the Company will be able to grow more Business in future.

6. RISKS AND CONCERNS

Potential risks include environmental, health, and safety issues. The Company is concern for security of its customers and evolving a Risk Management Programme covering in its scope an Adequate Risk Identification process and Risk Mitigation methodology. We are also taking the steps to reduce Raw Material Wastage, Increase Yields, and generally improving production efficiency is being taken regularly.

7. 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

8. HUMAN RESOURCES

Your Company firmly believes that a motivated and empowered employee is the key to competitive advantage. At present your company has adequate human resources which is commensurate with the current volume of Business activity and is reviewed by the management periodically and the company would induct competent personnel on increase/ expansion of the Business activity. Your Company's employee value proposition is based on a strong focus on employee development, an exciting work culture, performance and empowerment. Processes such as performance improvement, talent management and competency management are platforms for individual development.

9. 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

Information under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors Report for the period ended 31st March 2013.

I. 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.

(II) RESEARCH AND DEVELOPMENT

Presently, Your Company is not engaged in Research and Development activity. In today's cutthroat market where it is a primary need to work with optimum cost, your Company is trying to maintain highest standard of quality.

III) 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.

IV) FOREIGN EXCHANGE EARNING AND OUTGO:

	Year 2013 Amount in Rs.	Year 2012 Amount in Rs.
i) Foreign Exchange Earning:	Nil	Nil
ii) Foreign Exchange Outgo:	Nil	Nil

CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company seeks to focus on enhancement of long-term value creation for all stakeholders without compromising on integrity, social obligations and regulatory compliances. As a responsible corporate citizen, Your Company encourages and recognizes employee participation in environment and social initiatives that contribute to organisational sustainability, training, learning, personal growth, conservation of energy and other scarce resources, promoting safety and health of its employees and of the neighboring communities. Company believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders.

BOARD OF DIRECTORS

The Board of Directors is an optimum combination of professionalism experiencing, executive, non executive, and Independent Director formed by the shareholders, provides and evaluates the strategic directions of the Company; formulates and reviews management policies, serves and protects the overall interests of shareholders to ensure long-term value creation for stakeholders.

Composition

At present the Board of Directors are comprised of 6 Directors, Out of whom, 2 are Executive Directors viz. Mr. Jai Bhagwan Aggarwal and Mr. Tarun Aggarwal and 1 is Non-Executive Director viz. Mr. Shailesh Gupta and 3 are Independent Director viz. Mr. Yashpal Sharma, Mr. Pankaj Gupta and Mr. Dinesh Kumar Dwivedi.

The composition of the Board as on 31st March, 2013:

Name	Category
Mr. Jai Bhagwan Aggarwal	Managing Director
Mr. Tarun Aggarwal	Whole Time Director
Mr. Shailesh Gupta	Non Executive Director
Mr. Yashpal Sharma	Independent Director
Mr. Pankaj Gupta	Independent Director
Mr. Dinesh Kumar Dwivedi	Independent Director

Note

- None of the Directors of your Company is a member of more than 10 Committees or is the Chairman of more than five Committees across all the Public Companies in which they are Directors.
- The directorship/ committee membership is based on the disclosures received from the directors.

BOARD MEETING

During the financial year ended March 31, 2013, 9 meetings of the Board of Directors were held as against the minimum requirement of 4 times. None of the two Board Meetings have a gap of more than 120 days between them. The dates of meetings and the number of directors present therein are mentioned below:

Sr. No.	Date	Sr. No.	Date	Sr. No.	Date
1.	15.05.2012	4.	25.08.2012	7.	01.01.2013
2.	14.08.2012	5.	01.09.2012	8.	09.02.2013
3.	20.08.2012	6.	09.11.2012	9.	30.03.2013

Details of Directorships and Positions held by the Directors of the Company in other Companies

Sr. No.	Name of Director	No. of Meeting attending during 2011-12		No. of Directorship in other Public Companies	No. of Committee positions held in other Public Companies				
		Board			Last AGM	Listed	Others	Chairman	Member
		Held*	Conducted						
1.	Mr. Jai Bhagwan Aggarwal	9	8	Yes	Nil	Nil	Nil	Nil	
2.	Mr. Tarun Aggarwal	9	9	Yes	Nil	Nil	Nil	Nil	
3.	Mr. Shailesh Gupta	9	8	Yes	Nil	1	Nil	Nil	
4.	Mr. Yashpal Sharma	9	8	Yes	Nil	Nil	Nil	Nil	
5.	Mr. Pankaj Gupta	9	8	Yes	Nil	Nil	Nil	Nil	
6.	Mr. Dinesh Kumar Dwivedi	9	7	Yes	Nil	Nil	Nil	Nil	

* Denotes number of meetings held during the tenure of directorship of each director.

RESUME OF DIRECTOR PROPOSED TO BE REAPPOINTED

The brief resume of Directors retiring by rotation and seeking re-appointment is appended herein above in the notice for calling Annual General Meeting

COMMITTEES OF THE BOARD

The Board has constituted the following standing Committees:

1. Audit Committee
2. Shareholders'/Investors' Grievance Committee
3. Remuneration Committee

AUDIT COMMITTEE

The purpose of the audit committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

i) Terms of reference

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment and removal of statutory and internal Auditors (whenever required), fixation of audit fee and also approval for payment for any other services.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with Management the quarterly / half yearly and the annual financial statements before submission to the Board, focusing primarily on:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - Any Change in accounting policies and practices.

- Major accounting entries based on exercise of judgment by management.
- The going concern assumption.
- Compliance with accounting standards.
- Compliance of legal requirement concerning financial statements.
- Any related party transactions.
- 5. Reviewing with the management, statutory and internal Auditors, the adequacy and compliance of internal control system.
- 6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 7. Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
- 8. Discussion on internal Auditors significant findings and follow up there on.
- 9. Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 10. Discussion with statutory Auditors about the scope of audit as well as have post audit discussion to ascertain any area of concern.
- 11. Reviewing the Company's financial and risk management policies.
- 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

Further the Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

ii) Composition:

The Audit Committee as on date comprises of three members, including all are Independent Directors viz. Mr. Yashpal Sharma, Mr. Pankaj Gupta and Mr. Dinesh Kumar Dwivedi is heading the Committee.

During the year under review audit committee had met five times. No two meetings have a gap of more than 120 days in between them. During the year, five Committee Meetings were held on 15.05.2012, 14.08.2012, 25.08.2012, 09.11.2012 and 09.02.2013.

The attendance record of the members of the Audit Committee for the FY 2012-13 is as under:

Name of the Member Director	No. of Meetings Held*	No. of Meetings attended
Mr. Dinesh Kumar Dwivedi, Chairman	5	4
Mr. Pankaj Gupta, Member	5	5
Mr. Yashpal Sharma, Member	5	5

* Denotes number of meetings held during the tenure of directorship of each director.

INVESTORS GRIEVANCE COMMITTEE: The purpose of Constituting the Investor Grievance Committee is speedy and expeditious disposal of all kinds of investor Grievances and to keep the investors informed about all the material developments in the Company and to resolve the queries of the investors.

i) Terms of reference

1. To consider and review the queries/complaints received from Share/ Debenture Holders
2. To take steps to redress queries/ complaints and ensure speedy satisfaction to shareholders/ investors.
3. To work under the control & supervision of the Board of Directors

ii) Composition:

The Shareholders'/Investors' Grievance Committee as on date comprises three Members, including one is Executive Director viz. Mr. Tarun Aggarwal and two are Non Executive Directors with one of whom being Independent Director viz. Mr. Dinesh Kumar Dwivedi and Mr. Shailesh Gupta, the Chairman of the Committee and Mr. Tarun Aggarwal is the compliance officer of the Company.

Meeting and attendance:

The Constitution of the Committee and the attendance of each member of the Committee for the financial Year are given below:

Name of the Member Director	No. of Meetings Held	No. of Meetings attended
Mr. Shailesh Gupta, Chairman	4	4
Mr. Tarun Aggarwal. Member	4	4
Mr. Dinesh Kumar Dwivedi, Member	4	2

During the year under review, 1 complaint was received from the shareholder which was resolved by the Company. There is no pending complaint against the Company as on 31st March 2013.

Role and Powers of Shareholders'/Investors' Grievance Committee:

The Investors' Grievance Committee shall have the following role, functions and responsibilities:

- (i) To look into and supervise the redressal of shareholders'/Investors' Complaints.
- (ii) To oversee the performance of the Registrars and Share Transfer Agents and recommend measures for overall improvement of the quality of investor services.
- (iii) To consider and approve transfer of shares, transmission of shares, dematerialization of shares, transposition of shares, issuance of duplicate share, deletion of names, splitting and consolidation of shares, etc.

REMUNERATION-CUM-COMPENSATION COMMITTEE

(i) Brief description of terms of reference

The terms of reference are to recommend / review the remuneration package for executive directors based on performance and keeping in view the provisions of the Companies Act, 1956.

(ii) Composition:

The Remuneration Committee as on date comprises three members, with one of whom is Non Executive Directors viz. Mr. Shailesh Gupta and two are Independent Directors viz. Mr. Yashpal Sharma and Mr. Pankaj Gupta. Mr. Yashpal Sharma is the Chairman of the Committee.

Name of the Member Director	No. of Meetings Held	No. of Meetings attended
Mr. Yashpal Sharma, Chairman	3	3
Mr. Pankaj Gupta, Member	3	3
Mr. Shailesh Gupta, Member	3	3

REMUNERATION POLICY

The remuneration policy of the Company is based on the principle of attracting best available talent and is in line with the industry standards. The remuneration policy is market led so as to attract and retain the best talent and seeks to leverage performance in a significant manner.

REMUNERATION OF DIRECTORS

The Remuneration of executive directors is determined by the remuneration committee. The recommendations of the remuneration committee are considered and approved by the board of directors subject to the approval of the shareholders.

Details of remuneration of directors for the financial year ended 31st March, 2013

Director	Salary	Supplementary	Perquisites and allowances	Commission Other benefits	Total
Executive Directors	5,40,000	NIL	NIL	NIL	5,40,000
Non-Executive Director	NIL	NIL	NIL	NIL	NIL

Presently the company does not have a scheme for the grant of stock options.

GENERAL BODY MEETINGS

Date and venue of last three Annual General Meeting

Nature of Meeting	Date and Time	Venue	Special Resolution passed
Annual General Meeting	29 th September, 2012, 10.00 A.M	339, Kishan Garh, Vasant Kunj, New Delhi - 110070	None
Annual General Meeting	30 th September, 2011, 11.00 A.M.	D-1004, First Floor, New Friends Colony, New Delhi – 110065	None
Annual General Meeting	30 th September, 2010, 11.00 A.M.	D-1004, First Floor, New Friends Colony, New Delhi – 110065	None

POSTAL BALLOT

During the year ended March 31, 2013, Your Company sought approval from its shareholders for passing Ordinary/ Special resolution through the process of Postal ballot in accordance with provisions of section 192A of the companies Act 1956 read with the companies (passing of the Resolution by Postal Ballot) Rules 2011. Details of the same are given below.

Sr. No.	Particulars	Date
1.	Date on which consent of Ms. Harpreet Parashar, Company Secretary in Practice, to act as Scrutinizer for the Postal Ballot of the Company was obtained.	07.02.2013

2.	Date on which Board Meeting was held to pass the: 1. The draft Notice of postal ballot along with Explanatory Statement and Postal Ballot Forms. 2. Appointment of Ms. Harpreet Parashar as scrutinizer 3. Approve the Calendar of Events	09.02.2013
3.	Calendar of Events to be forwarded to Registrar of Companies, Delhi & NCT, within One week of Passing of Board Resolution.	14.02.2013
4.	Date of Completion of Dispatch of notice along with Postal Ballot Form (under Registered Post)	23.02.2013
5.	Release of Advertisement in the newspaper giving the: 1. Date of Completion of dispatch of the Notice and Postal Ballot Forms. 2. Date of commencement of voting through Postal Ballot 3. Date of end of voting through Postal Ballot 4. Last date for receipt of Postal Ballot forms by Scrutinizer. 5. Members who have not received the Postal Ballot forms may apply to the Company and obtain a duplicate thereof.	24.02.2013
6.	Last date for receipt of Postal Ballot Forms by the scrutinizer.	25.03.2013
7.	Date of Declaration of the result by the Managing Director.	27.03.2013
8.	Last date of handing over by the scrutinizer of the Postal Ballot Forms, the register maintained in accordance with Rule5(e) the Postal Ballot Rules	27.03.2013
9.	Last date of signing of the Minutes book by the Chairman in which the results of the Postal Ballot is recorded.	27.03.2013

Particulars of Resolutions Passed-

1.	Ordinary Resolution for Increase in Authorised Share Capital.
2.	Special Resolution for Alteration of Articles of Association.
3.	Special Resolution for Issue of Preferential Issue to the Promoters and Non Promoters.

Voting Pattern

Particulars	Total Votes	Total Votes Cast in favour of the resolution	Total Votes Cast against the resolution
Resolution 1	3080985	3079385 (99.95% of the total valid votes casted)	1600 (0.05% of the total valid votes casted)
Resolution 2	3081485	3080085 (99.95% of the total valid votes casted)	1400 (0.05% of the total valid votes casted)
Resolution 3	3081885	3080685 (99.96% of the total valid votes casted)	1200 (0.04% of the total valid votes casted)

DISCLOSURES

- i. The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

- ii. In the preparation of the financial statements, the Company has followed the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.
- iii. The trading in the Equity shares of the Company Listed on BSE Limited was suspended due to non Compliance which has been revoked with effect from 13th July, 2013. There were no penalties strictures imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years. However, the Company has paid a sum of Rs. 1,375,000/- as against the re-instatement fees to BSE Limited for revocation of trading suspension of the Company, out of which Rs. 496,350/- was paid in the previous year and rest amount paid in the present year.
- iv. The Company has adopted second recommendation of Non Mandatory requirements as provided under Annexure 1D of Listing Agreement. The remuneration committee is responsible for making recommendation on the compensation package of the Executive Directors.

MEANS OF COMMUNICATION

- The Company communicates with the shareholders at large through its Annual Report and publication of financial results.
- The Board of Directors of the Company approves and takes on record the Un-audited financial results within 45 days from the close of the quarter and the results are announced to all the stock exchanges where the shares of the company are listed. Further the highlights of the quarterly results in the prescribed Performa are published in the newspapers.
- The financial results are displayed on www.kuwer.com

GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

- **Date and Time:** 30th September, 2013 at 10.00 A.M.
- **Venue:** 339, Kishan Garh, Vasant Kunj, New Delhi 110070

b) Financial Calendar

The Company follows the period of 01st April to 31st March, as the financial year.

For the Financial Year 2013-14, Financial Results will be announced as per the following tentative schedule.

1 st Quarter ending June 30, 2013	Declared on 14 th August 2013
2 nd Quarter ending September 30, 2013	By 15 th November, 2013
3 rd Quarter ending December 31, 2013	By 15 th February, 2014
4 th Quarter ending March 31, 2014	Within 60 days from March 31, 2014
Annual General Meeting for the Year 2013-2014	By September 2014

- c) **Date of Book Closure/Record Date** : 23rd September to 30th September, 2013
(Both Days inclusive)
- d) **Registered Office** : D-1004, First Floor, New Friends Colony,
New Delhi – 110065
- e) **Dividend Payment Date** : Not Applicable as the Board has not
recommended any dividend

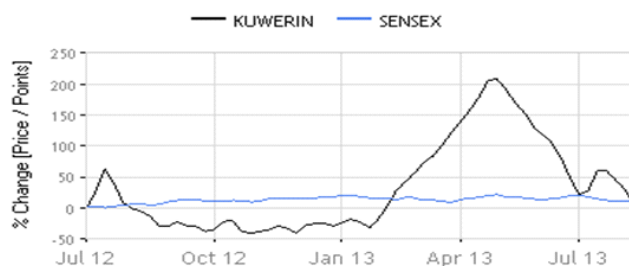
KUWER INDUSTRIES LIMITED

- f) **Listing of Equity Shares on Stock Exchanges** : BSE Limited,
: Delhi Stock Exchange Limited
- g) **Stock Code**
Delhi Stock Exchange Limited : 7936
BSE Limited : 530421
- h) **Registrar & Share Transfer Agents** : Skyline Financial Services Pvt. Ltd.
1st Floor, D-153A,
Okhla Industrial Area, Phase I,
New Delhi 110020
Email id: admin@skylinerta.com

i) Market Price Data

Month	Value (In Rupee)		Volumes
	High	Low	
April, 2012	NA	NA	NA
May, 2012	NA	NA	NA
June, 2012	NA	NA	NA
July, 2012	18.76	11.00	1,89,200
August, 2012	16.10	9.70	48,500
September, 2012	9.86	7.61	22,617
October, 12	9.43	6.84	18,921
November, 12	9.64	6.55	12,444
December, 12	8.90	6.82	12,515
January, 13	10.00	8.00	1,27,618
February, 13	14.66	7.81	5,992
March, 13	21.24	14.95	3,89,836

Price Movement



j) Liquidity

The Shares of the Company are listed on the BSE Limited and Delhi Stock Exchange Limited. The Shares are traded on the BSE Limited, hence liquidity is provided to the Shareholders of the Company.

k) Dematerialization of Shares

The Shares of the Company are in compulsory demat segment and are available for trading in both depository systems, i.e. NSDL and CDSL. ISIN of the Company is **INE430F01010** As on 31st March 2013, 72.64% of the Company's total Listed Capital representing 3701090 shares was held in dematerialised form and the balance shares were held in physical form.

l) Outstanding GDRs/ADRs/Warrants or any other convertible instruments

Company does not have any GDRs/ADRs/Warrants or any other Convertible Instruments.

n) Investor Correspondence should be addressed to

(i) M/s Skyline Financial Services Private Limited

1st Floor, D-153A, Okhla Industrial Area, Phase I, New Delhi 110020
E-mail ID: admin@skylinerta.com, grievances@skylinerta.com

(ii) Compliance Officer

Mr. Tarun Aggarwal
A-71/72, Sector- 58, Noida, Uttar Pradesh 201301,
Tel: 91-120-2580088, 2580937,
E-mail id info@kuwer.com, tarun@kuwer.com

o) Shareholding Pattern

The shareholding pattern as on 31st March 2013:

	Category	No. of shares held	Percentage of Shareholding
A.	Shareholding of Promoter and Promoter Group		
(1)	Indian	2,834,790	55.64
(2)	Foreign	0	0.00
	Total	2,834,790	55.64
B.	Public Shareholding		
(1)	Institutions		
(a)	Mutual Funds/UTI	0	0.00
(b)	Financial Institutions/Banks	0	0.00
(c)	Foreign Institutional Investors	0	0.00
(d)	Any Other	0	0.00
	Sub Total	0	0.00
(2)	Non Institutions		
(a)	Bodies Corporate	173,332	3.40
(b)	Individuals	1,513,764	29.71
(c)	Any Other	573,114	11.24
	Sub Total	2,260,210	44.36
	Total (A+B)	5,095,000	100.00

KUWER INDUSTRIES LIMITED**q) Distribution of Shareholding as on 31.03.2013**

Category (No. of Shares)	No. of Shareholder	% of Total Holders	No. of Shares	% of Total Shares
Upto 500	1519	76.95	415886	8.16
501 - 1000	279	14.13	227112	4.46
1001 - 2000	73	3.70	114065	2.24
2001 - 3000	33	1.67	82591	1.62
3001 - 4000	7	0.35	25200	0.49
4001 - 5000	19	0.96	86258	1.69
5001 - 10000	14	0.71	121400	2.38
10001 & Above	30	1.52	4022488	78.95
TOTAL	1974	100.00	5095000	100.00

**For & On the Behalf of Board of Directors
Of Kuwer Industries Limited**

**Sd/-
Tarun Aggarwal
Whole Time Director**

**Sd/-
J. B. Aggarwal
Managing Director**

**Date: 28.08.2013
Place: New Delhi**

Certificate by Managing Director on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement(s)

The Board of Directors
Kuwer Industries Limited
D-1004, New Friends Colony
New Delhi – 110065

I hereby certify that for the Financial Year 2012-13:

1. I have reviewed the financial statements and the cash flow statement and that to the best of my knowledge and belief : -
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2012-13 which are fraudulent, illegal or violate the Company's code of conduct.
3. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.
4. I further certify that: -
 - a. there have been no significant changes in internal control during this year.
 - b. there have been no significant changes in accounting policies during this year.
 - c. there have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Place: New Delhi
Dated: 28.08.2013

Sd/-
Jai Bhagwan Aggarwal
Managing Director

Declaration by the Managing Director under Clause 49 of the Listing Agreement

As per requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has laid down a Code of Conduct for its Board of Directors and Senior Management.

I, Jai Bhagwan Aggarwal, the Managing Director of the Company confirm the compliance of this code by myself and other members of the Board of Directors and Senior Management personnel as affirmed by them individually, for the year ended 31st March, 2013.

Place: New Delhi
Dated: 28.08.2013

Sd/-
Jai Bhagwan Aggarwal
Managing Director

C E R T I F I C A T E

To
The Members
Kuwer Industries Limited
D-1004, New Friends Colony
New Delhi - 110065

We have examined the compliance of conditions of corporate governance by M/s. Kuwer Industries Limited for the year ended on 31.03.2013 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mention Listing Agreement.

We further state that such compliance is neither as assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For PVSP & Co.
Chartered Accountants**

**Sd/-
Vinod Ralhan
Partner
M No. 091503**

**Place: New Delhi
Date: 28.08.2013**

AUDITOR'S REPORT

To
The Members of KUWER INDUSTRIES LIMITED.

1. We have audited the attached Balance Sheet of **KUWER INDUSTRIES LIMITED**, as at 31st March, 2013, and the profit & loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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 & 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 .
3. As required by the Companies (Auditors Report) Order, 2003 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.
4. 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 purpose of our audit,
 - (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appear from our examinations of those books,
 - (iii) The Balance sheet and Profit & Loss Account dealt with by this report are in agreement with books of account,
 - (iv) In our opinion, the Balance Sheet and Profit & 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 representations received from the directors, as on 31st March, 2013 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director 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 principal generally accepted in India;
 - (a) In the case of Balance sheet, of the State of Affairs of the Company as at 31st March, 2013 and
 - (b) In the case of the 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 Flows for the year ended on that date.

For PVSP & CO.
Chartered Accountant
Sd/-
(VINOD RALHAN)

Place: New Delhi
Date: 30-05-2013

Partner
M NO: 91503/ FRN 08940N

ANNEXURE TO THE REPORT OF KUWER INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2013.

(Referred to in paragraph (3) of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off a major part of the plant and machinery.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (a) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (b) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The company had taken loan from four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.144.55 lacs under section 301 of the Companies Act, 1956. 144.55 and the year-end balance of loans taken from such parties was Rs. 144.55 lacs. The company has not granted any loan to companies, firm or other party covered in the register maintain.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the company.
- (c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- (d) There is no overdue amount of loans taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, the company has not accepted public deposits as per provision of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. No order has been passed by the Company Law Board.

- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) As per information and explanations given by the management, the company is required to maintain Cost Accounting record under section 209(1) (d) of the Act and shall submit a compliance report duly certified by cost accountant along with the annexure to the Central Govt. in the prescribed form and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it except income tax Rs 28.41 lacs .
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of wealth tax, sales tax, customs duty, excise duty and cess, however income tax of Rs. 28.41 lacs and sales Tax of Rs. 25.91 lacs were in arrears, as at 31st March, 2013 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of custom duty, wealth tax and cess, which have not been deposited on account of any dispute. However following amounts are involved with under-mentioned forums, in respect of the disputed statutory dues: -
- Sales Tax (net) of Rs 25.91 lacs pending in appeal with sales tax authorities.
- Excise Duty(net) of Rs 200.91 lacs pending in appeal with excise authorities and in Allahabad High court.
- (x) In our opinion, there are no accumulated losses of the company. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) As per information given and record maintain the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiii) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company has not given any guarantees for any loans taken by others from bankers or financial institutions.
- (xv) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xvii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. However the company has received of Rs.7.33 crore for the issue of equity shares.(Refer Pera-27 in Notes forming part of the financial statements).
- (xviii) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.

KUWER INDUSTRIES LIMITED _____

- (xix) According to the information and explanations given to us, the company has not raised any money by public issues during the year.
- (xx) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For PVSP & CO.
Chartered Accountant

Place: New Delhi
Date: 30-05-2013

Sd/-
(VINOD RALHAN)
Partner
M NO: 91503/ FRN 08940N

BALANCE SHEET AS AT 31-03-2013

(IN RUPEES)

S. No.	Particulars	Note No	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
I	Equity And Liabilities			
	Shareholders Funds			
	(A) Share Capital	3	50,950,000	50,950,000
	(B) Reserves And Surplus	4	42,968,293	42,799,480
	Total(1)		93,918,293	93,749,480
	Share Application Money Pending Allotment		73,384,000	-
	Non-Current Liabilities			
	(A) Long Term Borrowings	5	28,454,343	34,086,302
	(B) Deferred Tax Liabilities (Net)		15,697,648	16,619,074
	(C) Long-Term Provisions	6	1,422,967	1,302,412
	Total(3)		45,574,958	52,007,788
	Current Liabilities			
	(A) Short Term Borrowings	7	58,809,540	50,129,484
	(B) Trade Payables	8	20,266,054	50,771,591
	(C) Other Current Liabilities	9	7,775,703	6,127,001
	(D) Short Term Provisions	10	1,509,789	1,119,152
	Total(4)		88,361,086	108,147,227
	TOTAL(1+2+3+4)		301,238,337	253,904,496
II	ASSETS			
	Non-Current Assets			
	(A) Fixed Assets			
	Tangible Assts	11	73,827,187	80,779,618
	(D) Long-Term Loans And Advances	12	6,764,462	6,520,168
	Total(1)		80,591,649	87,299,785
	Current Assets			
	(B) Inventories	13	87,383,622	
	(C) Trade Receivables	14	71,883,835	60,216,010
	(D) Cash And Cash Equivalents	15	5,220,442	9,265,959
	(E) Short-Term Loans And Advances	16	55,963,407	15,433,969
	(F) Other Current Assets	17	195,383	198,776
	Total(2)		220,646,688	166,604,711
	TOTAL(1+2)		301,238,337	253,904,496

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

AUDITOR'S REPORT
SIGNED IN TERMS OF OUR SEPARATE
REPORT OF EVEN DATE.

FOR PVSP & CO.
Chartered Accountants

Sd/-
(TARUN AGGARWAL)
DIRECTOR

Sd/-
(J.B.AGGARWAL)
DIRECTOR

Sd/-
VINOD RALHAN
(M.NO 91503/FRN8940N)

Sd/-
(Seema Mathur)
Company Secretary

PLACE: NEW DELHI
DATED: 30-05-2013

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31-03-2013 (IN RUPEES)

S. No.	Particulars	Note No	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
	Revenue From Operations			
I.	Revenue From Operations	18	152,681,804	184,657,679
II.	Other Income	19	9,351,180	8,035,969
II.	Total Revenue(I+II)		162,032,983	192,693,648
IV.	Expenses:			
	Cost Of Material Consumed	20	91,226,749	115,216,289
	Changes In Inventories Of Finished Goods	21	(4,524,838)	(12,897,068)
	Work-In-Progress And Stock -In-Trade		-	-
	Employee Benefits Expenses	22	5,193,514	5,350,239
	Finance Costs	23	13,474,294	12,252,114
	Depreciation And Amortization Expense	24	8,618,831	8,530,603
	Other Expenses	25	47,287,257	62,839,986
	Total Expenses		161,275,807	191,292,163
V.	Profit Before Exceptional And Extraordinary Items And Tax (III-IV)		757,176	1,401,485
VI.	Exceptional Items		-	-
VII.	Profit Before Extraordinary Items And Tax (V-VI)		757,176	1,401,485
VIII.	Extraordinary Items		-	-
IX.	Profit Before Tax (VII-VIII)		757,176	1,401,485
X.	Tax Expense			
	Current Tax		1,509,789	1,119,152
	Earliar Years Tax		-	286,045
	Deferred Tax		(921,426)	(485,753)
XI.	Profit(Loss) For The Period From Continuing Operations (VII-VIII)		168,813	482,041
XII.	Profit(Loss) From Discontinuing Operations		-	-
XIII.	Tax Expense Of Discontinuing Operations		-	-
XIV.	Profit(Loss) From Discontinuing Operations (After Tax) (Xii-Xiii)		-	-
XV.	Profit (Loss) For The Period (XI+XIV)		168,813	482,041
XVI.	Earning Per Equity Share			
	Basic		0.03	0.09
	Diluted		0.03	0.09

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**AUDITOR'S REPORT
SIGNED IN TERMS OF OUR SEPARATE
REPORT OF EVEN DATE.**

FOR PVSP & CO.
Chartered Accountants

Sd/-
(TARUN AGGARWAL)
DIRECTOR

Sd/-
(J.B.AGGARWAL)
DIRECTOR

Sd/-
VINOD RALHAN
(M.NO 91503/FRN8940N)

Sd/-
(Seema Mathur)
Company Secretary

PLACE: NEW DELHI
DATED: 30-05-2013

CASH FLOW STATEMENT AS ON 31.03.2013

Cash Flow from Operating Activities		
Net Profit after tax before extra ordinary item		168,813
Adjustment for		
Depreciation		8,618,831
Provision for tax		1,509,789
Provision for Gratuity		120,555
Taxes Paid for earlier years		-
Provision for Deffered Tax Asset		(921,426)
Interest Paid		13,474,294
Operative loss before working capital changes		22,970,856
Adjustment for : Trade & Other Receivable		(52,197,263)
Inventory		(5,893,625)
Trade Payable & Provisions		(30,216,888)
Cash Generated from Operation		(65,336,919)
Interest Paid		(13,474,294)
Cash Flow Before Extraordinary Item		(78,811,213)
Extraordinary Item / Misc.Exp.		-
Cash Flow from Operating Acitivies		(78,811,213)
Less: Purchase of fixed Assets		(1,666,402)
Add: Sales of Investment		-
Net Cash from investing Activities	A	(80,477,615)
Cash Flow from Financing Acitivies		
Proceeds from Long Term Borrowing		3,048,097
Proceeds from Share Application Money	B	73,384,000
		76,432,097
Net increase in Cash and Cash Equivalents	A+B	(4,045,518)
Cash & Cash Equivalents as at 31/03/2012	B	9,265,959
Cash & Cash Equivalents as at 31/03/2013	A	5,220,442

FOR & ON BEHALF OF THE BOARD

(J.B.AGGARWAL)
DIRECTOR

AUDITORS' CERTIFICATE

We have verify the above cash flow statement of **KUWER INDUSTRIES LIMITED** derived from the Audited Financial Statement the period ended 31st March, 2013 and found the same to be drawn inaccordance there with and also with the requirement of clause 32 of the Agreement with the Stock Exchange.

FOR PVSP & CO.
CHARTERED ACCOUNTANTS

Sd/-
VINOD RALHAN
PARTNER

PLACE: NEW DELHI
DATE : 30-05-2013

NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31-03-2013

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
3	Share Capital:		
	(1) Authorised: 150,00,000(Last Year 60,00,000) Equity Shares Of Rs.10/-Each	150,000,000	60,000,000
	(2) Issued, Subscribed & Paid Up		
	Shares At The Beginning Of The Accounting Period 5095000(L.Y.5095000) Equity Shares Of Rs.10/- Each	50,950,000	50,950,000
	Additions During The Year	-	-
Shares At The End Of The Accounting Period 5095000(L.Y.5095000) Equity Shares Of Rs.10/- Each	50,950,000	50,950,000	

Shares In The Company Held By Each

Shareholder Holding More Than 5 Per Cent

Shares.(Equity Shares In Nos. Of Rs. 10 Each)	IN No.	%	IN No.	%
Tarun Agrawal	573190	11	571690	11.22
Usha Agrawal	607640	12	607640	11.93
Jai Bhagwan Agarwal	1112150	22	1112150	21.83
Vct Leasing Invest(P) Ltd	438300	9	862300	16.92

4 Reserve & Surplus:

Surplus		
At The Beginning Of The Accounting Period	42,799,480	42,317,440
Additions During The Year (Balance In Statement Of Profit & Loss A/C)	168,813	482,040
At The End Of The Accounting Period	42,968,293	42,799,480
Grand Total	42,968,293	42,799,480

**5 Long Term Borrowings
Secured Term Loans From Banks**

State Bank Of Bikaner And Jaipur	-	-
Hdfc Bank (Vehicle Loan)	212,949	-
From Others		
Reliance Capital Limited	13,786,394	18,356,302
	13,999,343	18,356,302
Unsecured Long Term Borrowings:		
Loans From Directors	8,970,000	8,170,000
Loan From Parties	5,485,000	7,560,000
	14,455,000	15,730,000
Grand Total	28,454,343	34,086,302

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
	Deferred Tax Liabilities (Net)		
	Deferred Tax Liabilities	15,697,648	16,619,074
		15,697,648	16,619,074

6 Long-Term Provisions:

	Provision For Gratuity	1,422,967	1,302,412
		1,422,967	1,302,412

Current Liabilities

7 Short-Term Borrowings:

	Secured Loans From Banks		
	State Bank Of Bikaner And Jaipur	-	-
	Working Capital Loan	55,075,762	44,840,617
	Term Loan	-	2,482,702
	Hdfc Bank (Vehicle Loan)	103,134	157,210
	From Other Parties		
	Reliance Capital Limited	3,630,644	2,648,955
		58,809,540	50,129,484

- The working Capital & term Loan from State bank of Bikaner & Jaipur are secured by the mortgage and the first charges on all stock, debtors & other current asset of the company and first charges on all fixed assets of the company and M/s Ellora Machelical product (P) Ltd. In such from as may be required by the State Bank Of Bikaner & Jaipur.

8 Trade Payables

	Sundry Creditors	19,353,342	48,061,121
	Advance From Parties-Interest Free	912,712	2,710,470
		20,266,054	50,771,591

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
9	Other Current Liabilities		
	Other Payable	2,602,891	1,757,104
	Sales Tax Payable	2,186,941	1,171,721
	Tds Payable	45,885	85,673
	Provident Fund Payable	50,324	89,546
	Esi Payable	14,513	24,813
	Income Tax Payable	2,841,859	2,659,937
	Excise & Service Tax Payable	-	319,306
	Equity Share Capital Refund A/C	18,900	18,900
	Earnist Money Deposit.	14,390	-
		7,775,703	6,127,001

10	Short-Term Provisions		
	Provision For Tax	1,509,789	1,119,152
		1,509,789	1,119,152

Notes forming part of the financial statements

Note : 11 Fixed Assets

Description	Tangible assets	GROSS BLOCK					DEPRECIATION			NET BLOCK		
		Balance as at 1 April, 2012	Additions	Disposal	Balance as at 31st March, 2013	Balance as at 1 April, 2012	Depreciation of the year	Closing accumulated depreciation	As on 31.03.2013	As on 31.03.2012		
Land												
Freehold		1,210,654	-	-	1,210,654	-	-	-	-	-	-	1,210,654
Buildings(3.34%)		8,767,337	-	-	8,767,337	3,402,041	292,829	3,694,870	3,694,870	5,072,467	5,365,296	5,365,296
Plant and Equipment(4.75%)		154,835,148	1,183,822	-	156,018,970	82,875,643	7,381,425	90,257,068	90,257,068	65,761,902	71,959,505	71,959,505
Furniture and Fixtures(6.33%)		308,522	-	-	308,522	282,884	19,529	302,413	302,413	6,109	25,638	25,638
Vehicles(9.5%)		7,954,515	443,872	-	8,398,387	6,262,025	771,748	7,033,773	7,033,773	1,364,614	1,692,490	1,692,490
Office equipment(4.75%)		2,792,977	21,458	-	2,814,435	2,352,132	133,016	2,485,147	2,485,147	329,288	440,845	440,845
Computer(16.21%)		123,007	17,250	-	140,257	37,819	20,284	58,103	58,103	82,154	85,188	85,188
Total		175,992,160	1,666,402	-	177,658,562	95,212,543	8,618,831	103,831,375	103,831,375	73,827,187	80,779,617	80,779,617
Previous year		172,366,757	3,625,403	-	175,992,160	86,681,940	8,530,603	95,212,543	95,212,543	80,779,617	85,684,816	85,684,816

12 Long Term Loans And Advances:

Security Deposits (Unsecured Considered Good Unless Otherwise Stated)			
For Electricity	752,000	752,000	
For Telephone	57,340	57,340	
For Cylinder	2,500	2,500	
Security Deposit Other	186,191	186,191	
Security To Apl India P. Ltd.	10,432	10,432	
Excise Duty Deposit	1,909,892	1,909,892	
Tender Money	96,000	46,000	
Advance Rent	100,000	100,000	
Sales Tax Demand Against F.Y 2010-11	1,152,996	1,152,996	
Paschmanchal Viduyat Vitaran	134,844	20,000	
Reliance Capital Ltd	68,577	161,733	
Deposit With Commercial Tax Deptt.	123,120	123,120	
Central Sales Tax Demand (06-07)	283,023	283,023	
Local Sales Tax Demand (06-07)	159,449	159,449	
Cst Demand 2008-09	172,606	-	
Unsecured Doubtful	-	-	
Elite Appliances Ltd.	1,555,492	1,555,492	
	6,764,462	6,520,168	

13 Inventories:

(As Taken, Valued & Certified By The Management)

Raw Materials;	11,463,697	8,169,047	
Work In Process;	46,053,060	46,994,782	
Finished Goods;	18,756,926	13,355,487	
Stores, Spares & Loose Tools;	11,007,108	12,932,971	
Scrap	102,831	37,710	
	87,383,622	81,489,997	

14 Trade Receivables:

(Unsecured Considered Good Unless Otherwise Stated)

(1) Debts Outstanding For A Period Exceeding Six Months From The Date They Are Due	42,873,092	32,344,229	
(2) Other Debts	29,010,742	27,871,781	
	71,883,835	60,216,010	

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
15	Cash & Cash Equivalents :		
	Balance With Banks		
	In Fixed Deposits		
	Earmarked Balances With Banks	903,680	1,359,469
	Held As Margin Money Against Borrowings, And Other Commitments.	857,590	3,709,616
	Maturity With More Than 12 Months	-	-
	Share Application Money Refund A/C	23,264	23,264
	In Current Accounts:		
	Hdfc Bank	1,706,988	1,887,700
	Cash In Hand	1,634,920	2,191,910
Cash With Excise Department	94,000	94,000	
	5,220,442	9,265,959	

16 Short Term Loans & Advances:
(Unsecured Considered Good Unless Otherwise Stated)

	Advances Recoverable In Cash Or In Kind For The Value To Be Received		
	(1) Advance To Suppliers	15,416,666	14,293,790
	Excise Department	213,867	175,431
	Deposit In Excise Department	500,000	500,000
	Service Tax	148,554	-
	Tds Deposit	556,884	400,091
	Input Vat 4%	27,878	64,656
	Interest Receivable	296,151	-
	Capital Advance against purchase of property	14,662,501	-
	Inter Corporate advances	24,140,905	-
		55,963,407	15,433,969

17 Other Current Assets:

	Prepaid Expenses	195,383	198,776
		195,383	198,776

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING	FIGURES AS AT THE END OF PREVIOUS REPORTING
18	Revenue From Operations		
	Sale Of Products	168,879,682	203,298,506
	Other Operating Revenues	150,399	234,355
		169,030,081	203,532,861
	Less: Excise Duty	16,348,277	18,875,182
	Net Revenue From Operations	152,681,804	184,657,679

19 Other Income:

	Interest Income	1,015,145	389,115
	Processing Charge Received	6,358,071	6,751,096
	Art Work, Designing & Development	479,500	476,401
	Other Non-Operating Income	1,498,463	419,357
		9,351,180	8,035,969

20 Cost Of Materials Consumed:

	Purchases Raw-Materials And Packing Materials	94,521,399	118,986,429
	Add: Opening Balance Of Stock	8,169,047	4,398,907
		102,690,446	123,385,336
	Less: Closing Balance Of Stock	11,463,697	8,169,047
	Consumption Of Materials	91,226,749	115,216,289

21 Changes In Inventories Finished Goods

	At The Beginning Of The Accounting Period	13,355,487	9,795,053
	At The End Of The Accounting Period	18,756,926	13,355,487
		(5,401,439)	(3,560,434)
	Work-In-Progress		
	At The Beginning Of The Accounting Period	46,994,782	37,666,477
	At The End Of The Accounting Period	46,053,060	46,994,782
		941,722	(9,328,305)

	Scrap		
	At The Beginning Of The Accounting Period	37,710	29,381
	At The End Of The Accounting Period	102,831	37,710
		(65,121)	(8,329)
	Grand Total	(4,524,838)	(12,897,068)

22 Employee Benefits Expense

	Gratuity		
	Factory Salary And Wages	1,981,897	1,937,531
	Office Staff Salary	1,758,978	1,716,073
	Marketing Staff Salary & Incentives	-	-
	Director,S Remunerations	540,000	540,000
	Contribution To Provident And Other Funds		
	Contribution To Provident Fund	341,303	334,316
	Contribution To Employees State Ins.Fund	130,398	132,480
	Workers And Staff Welfare	77,974	80,276
	Bonus	242,409	238,181
	Gratuity	120,555	371,382
		5,193,514	5,350,239

23 Financial Costs:

	Interest Expense		
	Interest To Bank	9,770,427	7,593,070
	Interest On Term Loan (Others)	2,845,752	2,927,310
	Interest To Bank On Vehicle Loan	12,787	51,718
	Bank & Other Processing Charges	845,327	1,680,017
		13,474,294	12,252,114

24 Depreciation And Amortzation Expnse:

	Depreciation	8,618,831	8,530,603
	Preliminary & Pre-Operative Exp.Written Off	-	-
		8,618,831	8,530,603

25 Other Expenses:

A. Manufacturing Expense :

Consumption Of Stores And Spare Parts			
Opening Stock		12,932,971	11,000,240
Add:Purchases		22,521,017	33,076,432
Total		35,453,988	44,076,672
Less:Closing Stock		11,007,108	12,932,971
		24,446,880	31,143,701
Job Work Charges		-	3,319,670
Freight Inward		136,271	635,159
Power & Fuel		15,000,752	20,065,150
Repair To Machinery		1,590,125	1,927,905
		41,174,029	57,091,585

B. Administartive Expense

Advertisement Exps.		210,438	215,506
Techenical Fee		-	181,827
Travelling And Conveyance		68,258	59,519
Printing And Stationery		77,261	114,435
Freight And Forwarding		19,576	54,160
Sales Commission		662,926	250,380
Rebate And Discount		92,861	1,234,064
Business Promotion		88,073	83,766
Legal And Professional		731,609	311,298
Payments To Auditors		80,355	73,050
Rent		780,000	780,000
Repair To Buildings		24,171	122,750
Repair & Maintenance (General)		389,277	212,532
Insurance Expences		208,976	246,355
Listing\Fileing Fee		1,080,811	534,371
Postage & Stamp/Courier Charges		231,728	230,895
Telephone Expenses		282,311	273,663
Vehicle Running & Maintainance		214,213	111,645
Watch & Ward Exp		230,204	171,428
Membership & Subcption		65,646	3,100
Administration Exp On Pf		13,941	18,541
Sales Tax Paid		-	241,905
Service Tax & Education Cess Paid		-	17,540
Miscellaneous Expenses		560,593	205,671
		6,113,228	5,748,401
Grand Total		47,287,257	62,839,986

Notes forming part of the financial statements

Note Particulars

1 Corporate information

Kuwer Industries Ltd.is engaged in Metallizing & Embosing of Polyster and BOPP films. The company has been incorporated in the year 1993. The company's registered office is in Delhi.

2 Significant accounting policies.

The accounts of the company are prepared under the historical cost convention and in accordance with applicable accounting standards and relevant disclosure requirement of the companies Act 1956,as adopted consistently by the company.

2.1 Revenue Recognition:

Mercantile system of accountings is followed.

2.2 Foreign Currency Transaction

(i) Transaction in Foreign Currency are recorded at the rates prevailing at the time of the transaction. (ii) Any income and expenses on account of exchange difference either on settelment or transaction is recognized in the profit or loss account except in cases where they are adjusted to the carrying cost of such assets.

2.3 Inventory Valution

The valuation of inventory has been done as per method of valuation prescribed under saction 145A of the income Tax Act 1961.Stock of Raw materials are stated at cost.Finished goods and Scrap are valued at cost or realizable value wichever is lower.

2.4 Fixed Assets & Depreciation

(i)'Fixed Assets are stated at cost,net of modvat,less accoumulated depreciation.All cost including financing cost till commencement of commercial production,net charges on foreign exchange contracts and adjustment arising from exchange rate variations relating to borrowings attributable to the fixed assets are capitalized.

ii) Depreciation has been calculated on staight line method at the rates given in schadule XIV of the companies act 1956..

2.5 Insurance/Claims

The Company covers all the risk on the basis of cost for the fixed assets and inventories.The premium pertaining to the year is charged against the revenue of the year.The insurence claims lodged by the company will be adjusted as and when the final amount will be received by the company from the insurance companies.

2.6 Sales

Sales are stated net of returns ,sales tax and excise duty.

ATTENDENCE SLIP

(To be handed over at the entrance of the Meeting Hall)

TWENTIETH ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the Twentieth Annual General Meeting of the Company held on Monday, 30th September, 2013, at 10.00 a.m. at 339, Kishan Garh, Vasant Kunj, New Delhi 110070

Full Name of the Member.....
(in BLOCK LETTERS)

Regd. Folio No.No. of Shares held.....

Client Id*DP Id*

Full Name of the Proxy (in BLOCK LETTERS)

Member's/Proxy's Signature

* Applicable for members having shares in electronic form.

PROXY FORM
KUWER INDUSTRIES LIMITED
D- 1004, First Floor, New Friends Colony, New Delhi - 110065

Regd. Folio No.....No. of Shares held

Client Id.....DP Id*

I/We.....of

being a member/members of Kuwer Industries Limited appoint Mr./Ms.....

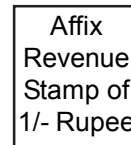
of.....or falling him

Mr./Ms..... of..... as
my/our/ proxy to vote for me/us on my behalf at the Twentieth Annual General Meeting of the company to be held on Monday, 30th September, 2013, at 10.00 a.m. at 339, Kishan Garh, Vasant Kunj, New Delhi 110070 and at any adjournment thereof.

Signed this.....day of....., 2013

Signature.....

* Applicable for members holding shares in electronic form.



Notes:

- (1) The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company.
- (2) The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
- (3) A Proxy need not be a member.



KUWER INDUSTRIES LIMITED

A-71/72, Sector 58, Noida-201 301
Dist. Gautam Budh Nagar (U.P.) India


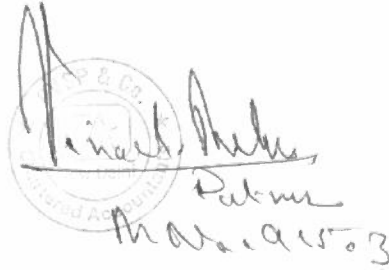
Tel.: 91-120-2580088, 2580937

Fax : 91-120-2580514

E-mail : info@kuwer.com

Website : www.kuwer.com

FORM A

Name of Company	Kuwer Industries Limited
Annual financial statements for the year Ended	31 st March 2013
Type of Audit observation	Un qualified
Frequency of observation	Not Applicable
To be signed by-	
<ul style="list-style-type: none">• Managing Director Mr. J. B. Aggarwal	
<ul style="list-style-type: none">• CFO	N.A.
<ul style="list-style-type: none">• Auditor of Company M/s PVSP & Co. Mr. Vinod Ralhan	
<ul style="list-style-type: none">• Audit Committee Chairman Mr. Dinesh Kumar Dwivedi	