

KAISER PRESS LIMITED

Eighteenth Annual Report
2010-2011

BOARD OF DIRECTORS

Jehangir R Patel

Bhushanlal Arora

Anagha Korde

Rohinton Daroga

Rajendra R. Vaze

AUDITORS

SURESH SURANA & ASSOCIATES

Chartered Accountants

310. Ahura Center,

82 Mahakali Caves Road,

Andheri (E) Mumbai - 400093. India

BANKERS

Thane Bharat Sahakari Bank Ltd

Bank of India

HDFC Bank

State Bank of India

REGISTERED OFFICE

K K (Navsari) Chambers

39/B, Ground Floor

A K Nayak Marg

Fort, Mumbai 400001

EIGHTEENTH ANNUAL REPORT 2010-2011

NOTICE

Notice is hereby given that the EIGHTEENTH ANNUAL GENERAL MEETING of the members of KAISER PRESS LIMITED will be held on 1st December, 2011 at 11.00 a.m. at the Registered Office of the Company, K K (Navasari) Chambers, 39 B, Ground Floor, AK Nayak Marg, Fort, Mumbai 400 001 to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the period ended on 31st March 2011 the Balance sheet as at that date and the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mrs Anagha Korde who retires by rotation and being eligible, offers herself for re-appointment
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

- 4 To consider and, if thought fit, to pass with or without modification, if any, the following resolution as a Special Resolution:

"RESOLVED that pursuant to all applicable provisions of The Companies Act, 1956 (including any amendment thereto or re-enactment thereof) ('the Act') and in accordance with the provisions of the Memorandum and Articles of Association of the Company, Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations, 2000, the Listing Agreement entered into by the Company with the Bombay Stock Exchange on which the Company's shares are listed and the rules/regulations/guidelines, notifications, circulars and clarifications, if any, issued by the Government of India (GOI), the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), or any other relevant authority and clarifications issued thereon from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof or the time being exercising the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board in its absolute discretion to create, offer, issue and allot in one or more tranches 232477 Equity Shares of Rs. 10/- each at Rs. 12.07 per share including the premium of Rs. 2.07 per share aggregating to Rs.28,06,000 for cash to M/S Oxcamb Investments Limited being an eligible Investor, being a foreign U.K. based Company, whether the shareholder of the Company or not, on a preferential basis pursuant to and in accordance with the provisions of SEBI (Issue of capital and Disclosure Requirements) Regulations 2009 at such price or prices in such manner and subject to such SEBI guidelines and on such terms and conditions as the Board may in its absolute discretion deem fit and appropriate at the time of issue considering the prevailing market conditions and other relevant factors wherever necessary as per the provisions of SEBI (Issue of capital and Disclosure Requirements) Regulations 2009.

“RESOLVED FURTHER THAT the Equity Shares shall be issued by the Company to the Investor on the following terms and conditions:

- i) The entire amount towards subscription of the Equity Shares shall be payable on application.
- ii) The Equity Shares to be allotted shall be subject to a lock-in period to be determined in accordance with the provisions of Chapter VII on Preferential issue under SEBI (Issue of capital and Disclosure Requirements) Regulations 2009, as amended up to date.
- iii) The Equity Shares proposed to be issued in the manner aforesaid shall rank pari passu in all respects with the existing Equity Shares of the Company.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above the relevant date for determining the price for the equity shares to be issued and allotted in terms of the aforesaid resolutions shall be Thirty (30) days prior to the date of this meeting i.e. relevant date is November 01, 2011”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary expedient, usual, proper or incidental to this resolution and to settle any questions remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Equity Shares and the utilization of the issue proceeds of the Equity Shares, to prescribe the forms of application and to take such actions or give such directions as they may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to make on its own accord or to accept such amendments, corrections, modifications, variations and alterations as the GOI/SEBI/RBI or any other regulatory authority may stipulate in that behalf in any documents, resolutions and in any papers .”

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

"RESOLVED THAT" in supersession to the earlier resolution passed in this respect and in accordance with the provisions of Section 269, 198, 309, 310 and Schedule XIII and other applicable provisions, if any, the Company hereby approves the re-appointment of Mr. B.L. Arora as the Whole Time Director of the Company for the period from July 2010 upto the remainder of his tenure i.e. upto June 2012 upon the same terms and conditions except the remuneration originally agreed by the shareholders of the Company at the 14th Annual General Meeting of the Company held on 26th December 2007 , on the basis of the following revised remuneration :

- a) Remuneration : Rs 39,000/- per month including Basic, HRA, Bonus and Conveyance allowance, with effect from July 2010 to Rs. 75,000/- per month as may be decided from time to time by the Board.”

- b) The other monetary facilities originally agreed by the shareholders of the Company at the 14th Annual General Meeting of the Company held on 26th December 2007 remains the same.”

By Order of the Board
Kaiser Press Limited

Jehangir R. Patel
Chairman & Mg Director

Registered Office:
K K (Navasari Chambers),
39B, Ground Floor,
A K Nayak Marg,
Fort, Mumbai 400001

Date : 01/11/2011

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. THE REGISTER OF MEMBERS AND SHARE TRANSFERS BOOKS OF THE COMPANY WILL REMAIN CLOSED FROM THE 23/09/2011 to 27/09/2011 (BOTH DAYS INCLUSIVE).
3. MEMBERS/PROXIES SHOULD BRING THE ATTENDANCE SLIP DULY FILLED IN FOR ATTENDING THE MEETING.
4. MEMBERS SEEKING ANY INFORMATION WITH REGARD TO ACCOUNTS ARE REQUESTED TO WRITE TO THE COMPANY EARLY SO AS TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY.
5. THE EXPLANATORY STATEMENT PURSUANT TO SECTION (173) OF THE COMPANIES ACT, 1956 IS ENCLOSED HEREWITH.

ANNEXURE TO NOTICE:**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES Act 1956**

Explanatory Statement for Resolutions mentioned under Item Nos. 4 and 5 pursuant to Section 173(2) of The Companies Act, 1956 ('the Act').

Item No.4:

The Company has already forfeited 2,80,600 Equity shares for non payment of the call money of Rs. 5/- per share from some of the shareholders of the company and the forfeiture of the shares have already been approved by the Bombay Stock Exchange.

Your Company is engaged in the business of printing and packaging. Your Company has now decided to raise funds by way of 232477 re- issue of forfeited shares for meeting expenditure for its existing operations and other corporate purposes.

The information as required under Clause 73 (1) of the SEBI (Issue of capital and Disclosure Requirements) Regulations 2009 for Preferential Issues is as under:

1. Objects of the issue :

The proposed re issue of forfeited shares is for raising of funds for meeting expenditures of existing operations, requirements and other corporate purposes.

It is therefore proposed to re-issue the 232477 forfeited Equity shares of Rs. 10/- each at Rs. 12.07 per share including the premium of Rs. 2.07 at cash to M/S Oxcamb Investments Limited on a preferential basis as per the provisions of SEBI (Issue of capital and Disclosure Requirements) Regulations 2009.

2. Intention of the promoters/key management persons to subscribe to the offer:

The promoters, Director and the key management persons are not making any application for the re issue of the forfeited Equity shares.

3. Shareholding pattern before and after the re issue of the forfeited Equity shares on preferential basis as under:

Category	Shareholding before the issue		Shareholding post Issue	
	No of Shares	% of Shares	No of Shares	% of Shares
Resident Individuals	429248	8.50	429248	8.12
Corporate Promoter Under Same	2903343	57.47	2903343	54.95
Bodies Corporate	1708499	33.82	1708499	32.33
Clearing Members	1	0.00	1	0.00
Directors	2502	0.05	2502	0.05
Directors Relatives	7955	0.16	7955	0.15
N. R. I (Non- Repat)	1	0.00	1	0.00
Foreign Corporate Bodies	—	—	232477	4.40
Hindu Undivided Family	51	0.00	51	0.00
TOTAL	5051600	100.00	5284077	100.00

Such re-issue of forfeited Equity shares on the preferential basis will be for 2, 32,477 Equity shares of Rs. 12.07 per share.

The pricing of the forfeited Equity shares to be allotted to the investor on preferential basis shall not be lower than the price determined in accordance with SEBI (Issue of capital and Disclosure Requirements) Regulations 2009. The issue of forfeited shares on a preferential basis can be made at a price not less than the higher of the following:

- a. The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date is Rs. 12.06
- b. The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the relevant date is Rs. 11.12

Higher of the two is Rs. 12.06 and the price on which the issue is made should not be lower than Rs. 12.06 and therefore the shares will be re issued at Rs. 12.07

The allotment of the forfeited Equity share will be completed in accordance with the SEBI (Issue of capital and Disclosure Requirements) Regulations 2009 and or subject to such other guidelines of SEBI

4. Proposed time within which allotment will be completed:

The Company proposes to complete the allotment and dispatch of share certificates of the Equity Shares within 15 days from the date of passing of the resolution by the members (or where allotment is pending on account of pendency of any regulatory approval, the allotment shall be completed within 15 days from the date of such approval) as prescribed under the SEBI Guidelines.

5. The identity of the proposed allottee, the number and the percentage of the post re issue of the forfeited shares that may be held by the allottee as under

Name of the proposed allottee	Shareholding pre issue		Shareholding post issue	
	No. of shares	% to capital	No. of shares	% to capital
Oxcamb Investments Limited	NIL		232477	4.40

The Listing agreement executed by the Company with the Stock Exchange provides that the company shall in the first instance, offer all the securities for subscription pro rata to the shareholders of the company, unless the shareholders in the General Meeting decide otherwise consent of the members in general meeting would therefore be necessary as per the Listing Agreement with the Stock Exchange, Mumbai.

The Equity shares shall not be eligible to be sold, transferred, hypothecated or encumbered in any manner as per lock In as provided under SEBI (ICDR) Regulations 2009.

The proposed offer to reissue the Equity shares is in the interest of the Company and your Directors commend the resolution for approval.

None of the Directors of the company are in any way concerned or interested in the Resolution at Item No.4 of the notice.

Item No 5

The Board of Directors of the Company have already appointed Mr. B.L. Arora as the Whole Time Director of the Company with effect from 01/07/2007 for the period of Five i.e. from 01/07/2007 upto June 2012 upon the same terms & conditions originally agreed by the shareholders of the Company at 14th Annual General Meeting of the Company held on 26th December 2007 .

The Board of Director of the Company have now decided to revise remuneration payable to Mr. B. L. Arora in the range of Rs. 39, 000/- per month to Rs. 75, 000/- per month including Basic, HRA, Conveyance Allowance as may be decided from time to time by the Board up to the remainder of his term i.e. up to June 2012 and the total remuneration payable to Mr. B. L. Arora will be as per the provisions of Schedule XIII of the Companies Act, 1956. His re-appointment with the revised remuneration is required to be approved by the Special Resolution by the shareholders of the company as per Schedule XIII.

In view of this the Board of Directors of the Company have placed the matter before the shareholders for approving the re-appointment of Mr. B. L. Arora the Whole Time Director by a Special Resolution on the same terms and conditions with the increased remuneration

Mr. B.L. Arora is only interested in the resolution pertaining to his re-appointment. No other Directors are interested in the Resolution.

The Resolution is set out at item No. 5 of the accompanying notice and accordingly the Board recommends the same for the approval of the Shareholders.

By Order of the Board

Kaiser Press Limited

Jehangir R. Patel
Chairman & Mg Director

Registered Office:
K K (Navasari Chambers)
39B, Ground Floor,
AK Nayak Marg,
Fort, Mumbai 400001

Date : 01/11/2011.

DIRECTOR'S REPORT

To
The Members
Kaiser Press Limited
Mumbai

Your Directors are pleased to present the Eighteenth Annual Report of your Company with the Audited Accounts for the period ended March, 2011.

FINANCIAL RESULTS**FINANCIAL PERFORMANCE AND FUTURE PROSPECTS :**

	March 31st 2011	June 30th 2010
Sales	37,68,6818	4,34,65,431
Other Income	20,71,404	8,44,366
Profit/Loss before tax	(26,91,368)	9,98,815
Prior period adjustment	(36,057)	----
Provision for Deferred tax liability	9,45,856	6,62,717
Provision for I. Tax	(2,25,000)	(2,70,000)
Profit/Loss for the period	(2,49,001)	13,91,532
Balance brought forward from last year	(75,45,594)	(1,03,42,894)
Share of Profit from Associate	52,27,689	----
Balance carried over to Balance sheet	(27,72,023)	(75,45,594)

Your Company posted a total income of Rs. 3,97,58,222 (for nine months) compared to the income of Rs. 4,43,09,797 for the previous year and the net loss of Rs. (26,91,368) compared to the net profit of Rs. 9,98,815 for the previous year.

Your company has diversified into the field of engineering.

DIVIDEND

Your directors do not recommend any dividend for the period ended March 31st, 2011

BUSINESS PROSPECTS AND PROCESS IMPROVEMENTS

The business growth depends to a large extent on the robustness of the Company's operational processes and the quality of customer service. The Company is therefore been investing in various process improvements and service quality initiatives over the past few years .

Company has already diversified in the engineering filed through its subsidiaries where future Business Prospects and Investments are promosing.

EMPLOYEES:

There are no employees whose details are required to be given as per Section 217 (2A) of the Companies Act, 1956.

Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars required to be stated as per the provisions of Section 217(1) of the Act relating to conservation of energy and technology absorption do not apply to your Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO :

Foreign Exchange Earnings: Export of Goods-Rs.39,86,050/-

Foreign Exchange Outgo: – Rs.1,34,67,763/-

Directors

In accordance with the provisions of The Companies Act, 1956 and the Articles of Association of the Company Mrs Anagha Korde is liable to retire by rotation at the ensuing Annual General Meeting and she is eligible for re-appointment.

Necessary resolution for the re-appointment of the aforesaid Director have been included in the notice convening the ensuing Annual General Meeting

The Board of Directors of the company have decided to increase the remuneration payable to Mr. B.L. Arora with effect from July 2010 for the remainder of his tenure from Rs. 39,000/- with the range upto Rs.75,000/- Necessary resolution for the re-appointment of Mr. B. L. Arora with the remuneration has been included in the notice convening the ensuing Annual General Meeting

None of the Directors of the Company are disqualified from being appointed as Directors as specified in terms of Section 274 (l)(g) of The Companies Act, 1956.

TRAINING AND HUMAN RESOURCE MANAGEMENT :

Morale of our professionals continued to be high. The Company continued to put concerted efforts in recruiting, training/developing, and deploying the best of human resources.

Many training programs were conducted during the year to upgrade knowledge, skills and attitude of our professionals. Contribution made by critical and star performers were recognized through issue of letter of appreciations and cash awards OD intervention and exit interviews helped us to contain attrition within acceptable level.

Capacity building through leadership development programs and 'Train the Trainer' programs were other key focus areas during the year.

QUALITY MANAGEMENT

As the quality of product or service is highly influenced by the quality of processes to design, develop and maintain them, Kaiser continued to deploy a well documented quality management system. Over the years, our processes have attained maturity which is evident from the improved customer satisfaction index.

AUDITORS

The Auditors M/s. Suresh Surana & Associates Mumbai Chartered Accountants hold the office until the conclusion of the ensuing Annual General Meeting and they are eligible for reappointment as the Auditors. Members are requested to consider their re-appointment and to fix their remuneration for the year ended on 31st March 2011.

The Company has received a confirmation from M/S. Suresh Surana & Associates to the effect that their appointment, if made, would be within the limits prescribed under Section 224(IB) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956 and based on the information provided by the management, your directors state that:

- i. In the preparation of annual accounts, the applicable accounting standards have been followed;
- ii. Accounting policies selected were applied consistently. Reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company as at the end of March 31st 2011 and of the losst of the Company for the period ended on that date;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv. The annual accounts of the Company have been prepared on a going concern basis.

Management Discussion and Analysis Report and Report of the Directors on Corporate Governance

In accordance with Clause 49 of the listing agreements, the Management Discussion and Analysis Report and the Report of the Directors on Corporate Governance forms part of this report.

Acknowledgements

The Company would like to acknowledge all its employees, stakeholders, key partners for their support in a period that has undoubtedly been one of the most challenging and difficult periods, particularly for the Company

The Directors appreciate the continued guidance received from various regulatory Authorities including RBI, SEBI, Ministry of Corporate Affairs, The Registrar of Companies, The Stock Exchange, Mumbai, Excise Authorities, Income Tax and Sales Tax Authorities.

On Behalf of the Board of Directors

JEHANGIR R PATEL
Chairman

Place: Mumbai

Date : 29/08/2011

Corporate Governance Report for the year 2010-11

I. Company's Philosophy on Corporate Governance

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders.

The Company believes in adopting and adhering to the best recognized Corporate Governance practices and continuously benchmarking itself against each such practice. The company understands and respects its fiduciary role and responsibility to the shareholders and strives hard to meet their expectations. The Company believes that best board practices, transparent disclosures and shareholder empowerment are necessary for creating shareholder value.

The company has infused the philosophy of Corporate Governance into all its activities. The philosophy on Corporate Governance is an important tool for shareholder protection and maximization of their long term values. The cardinal principals such as independence, accountability, responsibility, transparency fair and timely disclosures, credibility etc serve as the means for implementing the philosophy of corporate governance in letter and spirit.

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the listing Agreement entered into with the Stock Exchange. The Company has moved ahead in its pursuit of excellence in Corporate Governance.

II. Board of Directors

(i) As on March 31st, 2011, the Company has five Directors of which four are Non-Executive Directors including the Non Executive Chairman and Managing Director and remaining one is the Executive Director . Of the four Non Executive Directors, three are Independent Directors.

CODE OF CONDUCT:

The Board of Directors have laid down a code of conduct for all Board Members and Senior Management of the Company.

All Board Members and Senior Management personnel have affirmed compliance with the said code of conduct for the year ended 31st March 2011.

Necessary declaration to this effect signed by the Managing Director forms a part of the Annual Report of the Company for the year ended 31st March 2011.

All Directors have made necessary disclosures regarding Committee positions occupied by them in other Companies.

Further necessary Declaration has also been furnished by all the Independent Directors of the Company to confirm that:

- a) The Directors do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding Company, its subsidiaries and associates which may affect independence of the Director.
- b) Is not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- C) Has not been an executive of the Company in the immediately preceding three financial years.
- d) Is not a partner or an executive or was not a partner or an executive during the preceding three years, of any of the following:

- e. The Statutory Audit firm or the internal Audit firm that is associated with the Company.
and
The legal firm(s) and consulting firm(s) that have a material association with the Company.
- f) Is not a material supplier, service provider or customer or a lesser or lessee of the Company which may affect independence of the Director.
and
Is not a substantial shareholder of the Company i.e. owning 2% or more of the block of voting shares.
- The composition of the Board is in conformity with Clause 49 of the listing Agreements entered into with the Stock Exchanges.
- (i) None of the Directors on the Board, are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31st, 2011 have been made by the Directors.
- (ii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India. Chairmanships / Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

Name Of Director	Category	Number of Board meeting during the year 2010-11		Whether attended last AGM held on 23 rd December 2010	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies	
		Held	Attended		Chairman/ Director	Member	Chairman	Member
Mr. Jehangir R Patel Managing Director	Non Executive Chairman	6	4	Yes	--	--	--	--
Mr. B L Arora Director	Executive	6	5	Yes	--	--	--	--
Mr. Rajendra R Vaze Director	Non Executive Non Independent	6	3	Yes	--	--	--	--
Ms Anagha A Korde Director	Non Executive Independent	6	4	No	--	--	--	--
Mr. Rohinton E Daroga Director	Non-Executive Independent	6	4	No	--	--	--	--

(iii) 6 Board meetings were held during the year. The date on which the said meetings were held are as follows:

- a) 31st August 2010 b) 14th October 2010 c) 2nd November 2010 d) 30th December 2010 e) 14th February 2011 f) 11th March 2011

The necessary quorum was present for all the meetings.

- (iv) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- (v) During the year 2010-11, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreements has been placed before the Board for its consideration.
- (vi) Scheduling and selection of Agenda items for Board Meetings:

All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board/Committee meetings. All such matters are communicated to the Managing Director in advance so that the same could be included in the Agenda for the Board/Committee meetings.

- (vii) Post meeting follow-up mechanism:

The important decisions taken at the Board/Committee meetings are promptly communicated to the concerned departments. Action Taken Report on the decisions/minutes of the previous meeting is placed at the succeeding meeting of the Board/Committee for noting.

- (viii) Audit Committee

- (i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of The Companies Act, 1956.

- (ii) The terms of reference of the Audit Committee are broadly as under:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - ◆ any changes in accounting policies and practices;
 - ◆ major accounting entries based on exercise of judgment by management;
 - ◆ qualifications in draft audit report;
 - ◆ significant adjustments arising out of audit;
 - ◆ the going concern assumption;
 - ◆ compliance with accounting standards;
 - ◆ compliance with stock exchange and legal requirements concerning financial statements;
 - ◆ any related party transactions as per Accounting Standard 18.

- Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
 - Reviewing the adequacy of internal audit function, including the audit charter, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discussion with internal auditors of any significant findings and follow-up thereon .
 - 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. .
 - ☛ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (iii) The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.
- (iv) The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2010-11	
		Held	Attended
Ms. Anagha A Korde (Director)	Independent Non-Executive	3	3
Mr. Rohinton E Daroga (Director)	Independent Non-Executive	3	3

- (v) 3 Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:
- a) 31st August 2010 b) 2nd November 2010 c) 14th February 2011

The necessary quorum was present for all the meetings.

(ix) Remuneration Committee

- (i) The Company has a Remuneration Committee of Directors.
- (ii) The broad terms of reference of the Remuneration Committee are as under:
 - To approve the annual remuneration plan of the Company;
 - To approve the remuneration and commission/incentive remuneration payable to the Managing Director and Whole Time Director for each financial year;
 - To approve the remuneration and annual performance bonus payable to the Chief Financial Officer and the Executive Vice Presidents of the Company for each financial year;
 - Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

- (iii) Mr. Jehangir R Patel, Mr. Rajendra R Vaze, Mrs Anagha A Korde and Mr Rohinton E Daroga are the members of the committee.
- (iv) Details of the Remuneration for the year ended March 31, 2011

(a) Non-Executive Directors

Name	Sitting Fees
Mr. Jehangir R Patel	-
Mr. Rajendra R Vaze	-
Mrs. Anagha A Korde	-
Mr. Rohinton E Daroga	-

(b) Managing Director and Executive Directors

Name of Directors and Period of appointment	Salary & other Benefits
Mr. B L Arora	Rs. 4,57,824/-

Service of the Executive Director may be terminated by either party giving the other party two months notice or the Company paying two months salary in lieu thereof. There is no separate provisions for the payment of severance fees.

- (v) Details of shares of the Company held by the Directors as on March 31, 2011 are given below

Name	Number Of shares
Mr. Jehangir R Patel	2501
Mr B L Arora	1
Mr. Rajendra R Vaze	---
Ms. Anagha A Korde	500
Mr. Rohinton E Daroga	---

vi. Shareholders / Investors Grievance Committee

- (i) The company has a Shareholders / Investors Grievance Committee of Directors to take into the redressal of complaints of Investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc. During the period no meetings of the committee have taken place.
- (ii) Name, designation and address of compliance Officer

Mr. B L Arora
 Director
 Kaiser Press Limited
 K K (Navsari) Chambers
 Gr. Floor, 39B, A K Nayak Marg
 Fort, Mumbai-400 001.

(iii) Details of Investors complaints received and redressed during the year 2010-11 are as follows.

Opening Balance	Received During the year	Resolved during the year	Closing Balance
Nil	Nil	-----	Nil

Certain rights that a shareholder in the company enjoys :

- ◆ To transfer the shares.
- ◆ To receive the share certificates upon transfer within the stipulated period prescribed in the Listing Agreement.
- ◆ To receive notice of general meetings, annual report, the balance sheet and Profit and Loss account and the auditor's report.
- ◆ To appoint proxy to attend and vote at the general meetings.
- ◆ To attend and speak in person, at general meetings. .
- ◆ To vote at the general meeting on show of hands wherein every shareholder has one vote. In case of vote on poll, the number of votes of a shareholder is proportionate to the number of equity shares held by him.
- ◆ To demand poll along with other shareholder(s) who collectively hold 5,000 shares or are not less than 1/10th of the total voting power in respect of any resolution.
- ◆ To requisition an extraordinary general meeting of any company by shareholders who collectively hold not less then 1/10th of the total paid-up capital of the company.
- ◆ To move amendments to resolutions proposed at meetings.
- ◆ To receive dividend and other corporate benefits like rights, bonus shares etc. as and when declared/announced.
- ◆ To inspect various registers of the company.
- ◆ To inspect the minute books of general meetings & to receive copies thereof after complying with the procedure prescribed the Companies Act, 1956.
- ◆ To appoint or remove director(s) and auditor(s) and thus participate in the management through them.
- ◆ To proceed against the company by way of civil or criminal proceedings.
- ◆ To apply for the winding-up of the company.
- ◆ To receive the residual proceeds upon winding up of a company.

Kindly note that the rights mentioned above are prescribed in The Companies Act, 1956 and should be followed only after careful reading of the relevant sections. These rights are not necessarily absolute

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2011

Share holding of Nominal Value	No. of Shareholders	% of Total no. of Shareholders	Amount (in Rs)	% to Total Capital
Up to 5000	298	60.08	964380	1.91
5001 to 10000	134	27.02	1220160	2.42
10001 to 20000	22	4.44	356920	0.71
20001 to 30000	14	2.82	335600	0.66
30001 to 40000	5	1.01	179250	0.35
40001 to 50000	4	0.80	200000	0.40
50001 to 100000	3	0.60	224500	0.44
100001 and above	16	3.23	47035190	93.11
TOTAL	496	100.00	50516000	100.00

249475 shares forming 4.94% of the share capital are in demat form.

4802125 shares forming 95.06% of share capital are in Physical form.

CATEGORIES OF SHAREHOLDERS			
SHAREHOLDING PATTERN AS AT MARCH 31, 2011			
Category	No of shares	Total	% to
Capital			
A. Promoters, Directors & Relatives		2906365	57.53
F. Other Bodies Corporate		2145235	42.47
G. Banks, Mutual Funds and Financial Institutions		--	--
J. Overseas Corporate Bodies		--	--
L. NRI's			
M. Others			
Total		5051600	100.00

(iv) General Body Meetings**General Meeting**

AGM	Financial	Date	Location of the Meeting	Time	Special resolution passed
15 th AGM	30/06/2008	26/12/2008	KK (Navsari) Chambers, Gr Floor, 39B, A K Nayak Marg, Fort, Mumbai 400001	11.00 a.m.	N.A
16 th AGM	30/06/2009	24/12/2009	KK (Navsari) Chambers, Gr Floor, 39B, A K Nayak Marg, Fort, Mumbai 400001	11.00 a.m.	N. A.
17 th AGM	30/06/2009	23/12/2010	KK (Navsari) Chambers, Gr Floor, 39B, A K Nayak Marg, Fort, Mumbai 400001	11.00 a.m.	One Special Resolution
EXTRA ORDINARY GENERAL MEETING	-----	26/04/2011	KK (Navsari) Chambers, Gr Floor, 39B, A K Nayak Marg, Fort, Mumbai 400001	10.00a.m.	Two Special Resolutions

MEANS OF COMMUNICATION:

The quarterly and half-yearly unaudited financial results were time to time published in Free Press Journal in English and in Navshakti in Marathi being the regional language in Mumbai .

No Postal Ballot was conducted during the year 2010-11.

(v) Disclosures

- (i) There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.
- (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2008-09, 2009-10 and 2010-11 respectively : NIL
- (iii) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure I D to the Clause 49 of the Listing Agreements with the Stock Exchanges:
- (iv) The Company has set up a Remuneration Committee, details of which have been given earlier in this Report.

(vi) Secretarial Audit

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The secretarial audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

VII General Shareholder Information**FINANCIAL CALENDAR:**

Financial Year July, 2010 to March 31, 2011 as well as upto the date of the AGM i.e upto 01/12/2011	
Board Meeting for consideration of accounts	: August 2011
Book Closure dates	: 23/09/2011 To 27/09/2011
Last date of Receipt of proxy forms	: 29/11/2011
Date, Time and Venue of 16 th AGM	: Thursday, the 1st December, 2011 at 11 .00 a.m. At K K (Navsari) Chambers Gr. Floor, 39B, A K Nayak Marg, Fort Mumbai 400001
Financial reporting for the quarter ending September 30, 2010	: By November 2010
Financial reporting for the quarter ending December 31, 2010	: By February, 2011
Financial reporting for the period ending March 31, 2011	: By August 2011

As required under Clause 49(IV)(G)(i) of the Listing Agreements with the Stock Exchanges, particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on 1st December 2011.

Listing Fees as applicable have been paid.

Corporate Identification Number (CIN) : L22210MH1993PLC074035
of the Company :

LISTING ON STOCK EXCHANGES:

In order to impart liquidity and convenience for trading, the equity shares of the Company is listed at the following Stock Exchange. The annual fees for 2010-2011 have been paid to all the stock Exchanges where the shares are listed.

<u>Sr. No.</u>	<u>Name & address of the Stock Exchange</u>	<u>Stock Code</u>
1	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 023	531780

Names of Depositories in India for dematerialisation of equity shares (ISIN NO. INE 600 CO 1015):

- **National Securities Depository Limited (NSDL)**
- **Central Depositories Services (India) Limited (CDSL)**

REGISTRARS AND TRANSFER AGENTS

The Company has appointed M/S. Purva Share Registry (India) Pvt. Ltd., at Mumbai as Registrars for physical and for Demat segment.

Registrar and Share Transfer Agents :

Purva Share Registry (India) Pvt. Ltd., 9, Shiv Shakti Ind., Estate, J R Boricha Marg, Off N M Joshi Marg, Near Lodha Excelus, Lower Parel (E), Mumbai - 400 011. Tel. No. 23018261 / 23016761 Fax No. 230 12517, E-mail : busicomp@vsnl.com

SHARE TRANSFER PROCESS:

The Company's shares which are in demat form are transferable through the depository system. Shares in physical form are processed by the Registrars and Share Transfer Agents, Purva Share Registry (India) Pvt. Ltd., And approved by the Investor Grievance (Share) Committee of the Company or authorized officials of the company. The share transfers are processed within a period of 12 days from the date of receipt of the transfer documents by Purva Share Registry (India) Pvt. Limited.

INVESTOR HELP DESK:

Share transfer, transmissions and all other investor related activities are attended to and processed at the office of our Registrars and Transfer Agents.

For acknowledgement of transfer deeds and any other documents or for any grievances / complaints, kindly contact at the following address:

Registrar and Share Transfer Agents : Mr. Vinayak Karande
Purva Share Registry (India) Pvt. Ltd., 9, Shiv Shakti Ind. Estate, J R Boricha Marg, Off N M Joshi Marg, Near Lodha Excelus, Lower Parel (E) Mumbai 400 011, Tel No. 23018261 / 23016761. Fax No. 23012517, E-mail : busicomp@vsnl.com

COMPLIANCE CERTIFICATE OF THE AUDITORS:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchange and the same is annexed to the Annual Report.

MEANS OF COMMUNICATION

Half yearly report sent to each household of shareholders	No. as the results of the Company is published in the newspapers.
Quarterly result	The Company has Published its Quarterly Results in Newspaper Navshakti Mumbai (Marathi) & Free Press Journal, Mumbai (English)
Any website, where displayed whether it also displays official news releases; and the presentation made to Institutional Investors or to the analysis newspapers in which results are normally published in	No
Management Discussion & analysis	No
	This forms the Annual Report, which is posted to the shareholders of the Company

STOCK MARKET DATA

The High / Low of the shares of the Company from July 2010 to March 2011 is given below:

The Monthly high and low quotation of shares traded on BSE		
Month	Highest (Rs)	Lowest (Rs)
July 2010	6.10	5.61
August 2010	5.58	5.07
September 2010	5.56	5.05
October 2010	8.17	5.83
November 2010	9.20	8.00
December 2010	9.13	6.26
January 2011	6.59	5.48
February 2011	10.20	5.74
March 2011	12.80	8.93

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT.

This is to confirm that the company has adopted a Code of Conduct for the Managing Director and the Directors and the Senior Management personnel of the Company as applicable to them, for the Financial period ended March 31 2011

I confirm that the company has in respect of the financial period ended 31st March 2011 received from as the Senior Management of the team of the company and all the Members of the Board a declaration of compliance with the code of Conduct as applicable to them

For Kaiser Press Limited

Jehangir R Patel
Managing Director

Place : Mumbai
Date : 29.08.11

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE & DEVELOPMENT

Over Capacity is the main issue which continues to plague the printing industry and as a result printing rates remain low. Competition and idle capacity has deterred growth and modernization.

As a company, our thrust has been especially suited to the small & medium companies.

OPPORTUNITIES & THREATS

The perceived threat is today from well established large organized companies who can compete with other companies at low prices.

High local taxation and overhead costs has forced the printing industry out of the metros. The packaging industries is now concentrated in Daman, Silvassa ,Vasai and Navi Mumbai. Costs are lower here and there is no octroi duty.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

There is adequate internal control system in the company through internal Audit and regular operations review.

Maintenance of records showing full particulars of fixed assets and physical verification of such assets from time to time designed to cover all items.

Periodical physical verification of stocks during the period and adjustment of discrepancies between the physical verification and the books are recorded appropriately.

Generation of various reports to monitor various statutory and other compliances.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the period the sales turnover was Rs.3,76,86,818 as against Rs.4,34,65,431 for the previous year. The Turnover shows a comparative improvement over previous year.

DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

The human capital of the company has been motivated and committed to bring good operating performance.

CAUTION STATEMENT

Certain statements made in the Management Analysis and Report relating to Company's objectives, projections, outlook, expectations, estimates etc, may constitute forward looking statement within the meaning of applicable laws and regulations. Actual results may differ from such expectation, projections etc., whether express or implied. Several factors could make a significant difference to the company's operations. These include climatic conditions, economic conditions affecting demand and supply, Government regulations and taxation, natural calamity etc, over which the company does not have any direct control.

**MILIND JOG
COMPANY SECRETARY**

A-7 Avantika Bldg., Data Pada Cross Road No 2, Borivali East, Mumbai-400066
Mobile No : 9920608767
E-mail: csmilindjog@gmail.com

**COMPANY SECRETARY CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the members of Kaiser Press Limited

1. We have examined the compliance of the conditions of Corporate Governance by Kaiser Press Limited for the period 1st July 2010 to 31st March, 2011 as stipulated in Clause 49 of the listing Agreement of the said company with the Stock Exchange in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.
3. 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 mentioned listing Agreement.
4. We further state that such compliance is neither an 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.

Milind Jog
Company Secretary

A.C.S. No 15403
C.P. No 10375

Place :. Mumbai
Dated: 01/11/2011

AUDITORS' REPORT

TO
THE MEMBERS OF
KAISER PRESS LIMITED

1. We have audited the attached balance sheet of Kaiser Press Limited as at 31 March 2011 and also the profit and loss account and the cash flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) (Amendment) Order, 2004, (hereinafter referred to as 'Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as "Act"); 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 in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - d) As at 31 March 2011, the Company has accounted for deferred tax assets of Rs. 4,209,202 (including Rs 1,011,963 pertaining to current period) based on future projected profitability and management's perception and judgment about virtual certainty of future taxable profits that would be available to realise deferred tax assets. In view of past performance of the Company and considering other relevant factors, in our opinion, the criteria of virtual certainty that there will be future taxable profits is not met as laid down in Accounting Standard (AS) – 22 'Accounting for Taxes on Income' notified by the Central Government and hence, accounting of deferred tax assets is not in accordance with the Accounting Standard.

Consequently, the loss (after extra ordinary item) for the period is lower by Rs. 1,011,963 and accumulated losses are lower by Rs.4,209,202 and assets are higher by Rs 4,209,202 as at 31 March 2011. (Refer note 5 of Schedule '15')
 - e) Subject to what is stated in paragraph (d) above, in our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act, to the extent applicable;
 - f) On the basis of written representations received from the directors of the Company, as on 31 March 2011

And taken on record by the Board of directors, we report that none of the directors is disqualified as on 31 March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

- g) We further report that, had the observations made by us in paragraph 4 (d) above been considered, the loss (after extraordinary item) for the period would have been Rs. 3,416,558 (as against the reported figure of Rs. 2,404,595), accumulated losses would have been Rs 14,534,816 (as against the reported figure of Rs 10,325,614).
- h) In our opinion and to the best of our information and according to the explanations given to us, subject to what is stated in paragraph 4 (g) above the said accounts read with in particular note 14 of Schedule 15 regarding non- furnishing of the quantative information as required under Part- II of Schedule VI of the Act, and other notes thereon in Schedule 15, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2011;
 - ii. in the case of the profit and loss account, of the loss for the period ended on that date; and
 - iii. in the case of the cash flow statement, of the cash flows for the period ended on that date.

FOR SURESH SURANA & ASSOCIATES

Chartered Accountants

Firm Reg. No. 121750W

(Ramesh Gupta)

PARTNER

Membership No.: 102306

Mumbai;

Dated: 29/08/2011.

ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

1. In respect of its fixed assets:
 - a) The Company has maintained records for its fixed assets to show full particulars including quantitative details and situation of its fixed assets.
 - b) There is a regular programme of verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - c) During the period, the Company has disposed off substantial part of its fixed assets. However, this has not affected the going concern status.
2. In respect of its inventories:
 - a) In our opinion and according to information and explanations given to us, physical verification of inventory has been conducted by the management at reasonable intervals.
 - b) In our opinion and according to the information and explanations given to us, 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.
 - c) In our opinion and according to the information and explanations given to us, the Company needs to improve the maintenance of records of inventory so as to give proper and complete quantitative and value wise information. As the inventory records are not complete at the time of physical verification, the differences between physical stocks and book records cannot be determined. As explained to us, adjustment, if, any, in the financial statements will be made in the period of completion of such reconciliation.
3.
 - a) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(b), 4(iii)(c), 4(iii)(d), of the Order are not applicable to the Company.
 - b) The Company has taken interest free unsecured loans from one party amounting to Rs. 1,129,023 during the period. The maximum amount involved during the period was Rs. 594,830 and the period end balance was Rs. 194,830.
 - c) In our opinion and according to information and explanations given to us, in respect of such interest free unsecured loans taken by the Company, the other terms and conditions are prima facie, not prejudicial to the interest of the Company.
 - d) In respect of such loans taken by the Company, the principal amounts are repayable on demand.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5.
 - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under Section 301 of the Act, have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Act have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed hereunder.
7. The Company does not have internal audit system during the period.

8. As explained to us, the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Act.
9. a) According to the information and the explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, with the appropriate authorities. According to the information and explanation given to us, there are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and cess as at 31 March 2011 which is outstanding for a period of more than the six month from the date they became payable.
b) According to the information and explanations given to us and in our opinion, there are no dues of wealth tax, service tax, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
10. The Company has accumulated losses at the end of the financial period. The Company has incurred cash losses (after extra ordinary items) during the financial period, however it has not incurred cash loss in the immediately preceding financial period.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company does not have any borrowings from financial institutions and by way of debentures.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi / mutual benefit fund / society and accordingly, Clause 4(xiii) of the Order are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments and accordingly, Clause 4(xiv) of the Order are not applicable to the Company.
15. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not raised any term loan during the period.
17. According to the information and explanations given to us, the Company has not raised any funds on short-term or long-term basis and therefore, the clause (xvii) of the Order is not applicable.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to the parties or companies covered in the register maintained under Section 301 of the Act during the period.
19. According to the information and explanations given to us, the Company has not issued any debentures during the period.
20. The Company has not raised funds by way of public issue during the period.
21. During the course of our examination of books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the Company, noticed or reported during the period, nor have we been informed of such case by the management.

FOR SURESH SURANA & ASSOCIATES

Chartered Accountants
Firm Reg. No. 121750W

(Ramesh Gupta)
PARTNER
Membership No.: 102306
Mumbai;
Dated: 29/08/2011

KAISER PRESS LIMITED
BALANCE SHEET AS AT 31 MARCH 2011

	Schedule	As at 31/03/2011 Rs.	As at 30/06/2010 (Rs.)
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	50,489,050	50,489,050
Reserves and surplus	2	1,403,000	1,503,000
Share application money (pending allotment)		2,806,000	-
Loan funds			
Unsecured loans	3	270,653	6,590,873
Total funds employed		54,968,703	58,582,923
APPLICATION OF FUNDS			
Fixed assets			
Gross block	4	196,471	14,415,810
Less: Depreciation / amortisation		46,257	2,018,458
Net block		150,214	12,397,352
Investments	5	33,906,100	33,906,100
Deferred tax assets (net)		4,209,202	3,197,239
Current assets, loans and advances			
Inventories		196,696	97,694
Sundry debtors		2,670,350	695,609
Cash and bank balances		2,609,280	798,296
Assets held for disposal		1,456,921	-
Loans and advances		840,888	688,108
Total 'A'		7,774,135	2,279,707
Less : Current liabilities and provisions			
Current liabilities	7	892,437	663,247
Provisions		504,125	519,190
Total 'B'		1,396,562	1,182,437
Net current assets (A - B)		6,377,573	1,097,270
Profit and loss account (debit balance)		10,325,614	7,984,962
Total funds utilised		54,968,703	58,582,923

Accounting policies and notes to accounts 15
Schedules referred to above form an integral part of the financial statements

As per our report of even date attached

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

(Ramesh Gupta)
PARTNER
Membership No. 102306

On behalf of the Board of Directors

Jehangir. R. Patel-
Chairman and Managing Director

Bhushanlal Arora-
Director

Anagha Korde-
Director

Mumbai ; Dated : 29/08/2011

Mumbai ; Dated : 29/08/2011

KAISER PRESS LIMITED**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2011**

	<u>Schedule</u>	<u>Current Period (Rs.)</u>	<u>Previous Year (Rs.)</u>
INCOME			
Sales	8	3,111,068	6,610,636
Other income	9	1,341,723	7,150
Increase/ (decrease) in stocks	10	90,500	(143,466)
		<u>4,543,291</u>	<u>6,474,320</u>
EXPENDITURE			
Raw materials consumed (Indigenous)	11	539,901	3,888,381
Employees' remuneration and benefits	12	478,760	641,687
Manufacturing and other expenses	13	1,624,450	1,358,620
Interest and finance charges	14	52,953	79,140
Depreciation		290,296	285,670
		<u>2,986,360</u>	<u>6,253,498</u>
PROFIT BEFORE TAXATION AND EXTRA- ORDINARY ITEMS			
Extra - ordinary items (refer note 6 of Schedule 15)		1,556,931 (4,973,489)	220,822 -
PROFIT BEFORE TAXATION		<u>(3,416,558)</u>	<u>220,822</u>
Provision for taxation:			
Current tax		-	-
Deferred tax		1,011,963	663,276
PROFIT AFTER TAXATION		<u>(2,404,595)</u>	<u>884,098</u>
Prior period expenses		(36,057)	
Excess/ (short) provision of income tax relating to earlier years		-	1,827,905
Balance of loss brought forward from previous year		(7,984,962)	(10,696,965)
Less: Amount transferred from general reserve		100,000	-
Balance carried to Balance Sheet		<u>(10,325,614)</u>	<u>(7,984,962)</u>
Basic earning per share excluding extra-ordinary items (net of tax expense)		0.51	0.18
Diluted earning per share excluding extra-ordinary items (net of tax expense)		0.50	0.18
Basic earning per share including extra-ordinary items		(0.48)	0.18
Diluted earning per share including extra-ordinary items		(0.47)	0.18
Nominal value of equity share		10.00	10.00

Accounting policies and notes to accounts **15**
Schedules referred to above form an integral part of the financial statements

As per our report of even date attached

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

(Ramesh Gupta)
PARTNER
Membership No. 102306

On behalf of the Board of Directors

Jehangir. R. Patel-
Chairman and Managing Director

Bhushanlal Arora-
Director

Anagha Korde-
Director

Mumbai ; Dated : 29/08/2011

Mumbai ; Dated : 29/08/2011

KAISER PRESS LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 11

PARTICULARS	31/03/2011		30/06/2010	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities:				
Net profit / (loss) before tax and extra ordinary items		1,556,931		220,822
ADJUSTMENTS FOR				
Depreciation	290,296		285,670	
(Profit)/Loss on sale of Assets	(128,474)		166,825	
Interest and finance charges	52,953		79,140	
Dividend received	(12,650)	202,125	(7,150)	524,485
Operating profit before working capital changes		1,759,056		745,307
ADJUSTMENTS FOR				
Trade and other receivables	(2,065,378)		2,625,046	
Inventories	(99,002)		146,288	
Trade and other payables	231,982	(1,932,398)	(2,828,953)	(57,619)
Cash generated from operations		(173,342)		687,688
Direct taxes (paid) / received	(80,000)		(1,088)	
Prior period expenses	(36,057)		-	
Extraordinary items	5,339,000	5,222,943	-	(1,088)
Net cash from operating activities		5,049,601		686,600
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payments for purchase of fixed assets	(28,594)		-	
Sale of fixed assets	344,500		237,222	
Sale of investments	-		2,485,000	
Purchase of investments	-		(2,485,000)	
Net cash used in investing activities		315,906		237,222
C. Cash Flow from Financing Activities:				
Share application money received	2,806,000		-	
Loan received(Paid)	(6,320,220)		(426,377)	
Dividend received	12,650		7,150	
Interest and finance charges paid	(52,953)		(79,140)	
Net cash used in financing activities		(3,554,523)		(498,367)
Net increase in cash and cash equivalents (A+B+C)		1,810,984		425,454
Cash and cash equivalents as at year end comprise of :				
Cash and cash equivalents - opening		798,296		372,842
Cash and cash equivalents - closing		2,609,280		798,296
Net increase as disclosed above		1,810,984		425,454

Accounting policies and notes to accounts are given in Schedule '15'

Notes:

- Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) -3 "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.
- Previous years figures have been regrouped / reclassified wherever applicable.

As per our report of even date attached

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

(Ramesh Gupta)
PARTNER
Membership No. 102306

On behalf of the Board of Directors

Jehangir. R. Patel-
Chairman and Managing Director

Bhushanlal Arora-
Director

Anagha Korde-
Director

Mumbai ; Dated : 29/08/2011

Mumbai ; Dated : 29/08/2011

KAISER PRESS LIMITED

	As at 31/03/2011 Rs.	As at 30/06/2010 Rs.
SCHEDULE '1'		
SHARE CAPITAL		
Authorised :		
10,000,000 (Previous year 6,000,000) Equity shares of Rs.10 each.	100,000,000	60,000,000
	<u>100,000,000</u>	<u>60,000,000</u>
Issued, subscribed and paid up :		
5,051,600 (Previous year 5,051,600) Equity shares of Rs. 10 each, fully paid up	50,516,000	50,516,000
Total Rs. (A)	<u>50,516,000</u>	<u>50,516,000</u>
Less: Calls in arrears From others	26,950	26,950
Total Rs. (B)	<u>26,950</u>	<u>26,950</u>
Total (A-B)	<u>50,489,050</u>	<u>50,489,050</u>
SCHEDULE '2'		
RESERVES AND SURPLUS		
Capital reserve		
Balance as per last balance sheet	1,403,000	-
Add : Addition on account of forfeited shares	-	1,403,000
	<u>1,403,000</u>	<u>1,403,000</u>
General reserve		
Balance as per last balance sheet	100,000	100,000
Less: Transferred to Profit and loss account	(100,000)	-
	<u>-</u>	<u>100,000</u>
	<u>1,403,000</u>	<u>1,503,000</u>

	As at 31/03/2011 Rs.	As at 30/06/2010 Rs.
SCHEDULE '3'		
UNSECURED LOANS		
Short term loans:		
from a director	-	3,399,800
from shareholders	-	617,250
from relatives of directors	-	1,922,000
from body corporates	270,653	651,823
	270,653	6,590,873

Schedule 4 :

Fixed Assets

Particulars	Gross Block (At cost)					Depreciation							Net Block	
	As on 01.07.2010	Additions	Deduction on Sale	Adjustment on impairment	Transfer to assets held for disposal	As on 31.03.2011	Upto 01.07.2010	Provided for the year	Deduction on Sale	Adjustment on impairment	Transfer to assets held for disposal	Upto 31.03.2011	As on 31.03.2011	As on 30.06.2010
Goodwill	8,500,000	-	-	8,500,000	-	-	-	-	-	-	-	-	-	8,500,000
Plant and Machinery	5,875,070	-	528,936	2,154,489	3,064,508	127,137	2,003,213	283,440	312,910	342,000	1,607,587	24,156	102,981	3,871,857
Computer	40,740	28,594	-	-	-	69,334	15,245	6,856	-	-	-	22,101	47,233	25,495
Total	14,415,810	28,594	528,936	10,654,489	3,064,508	196,471	2,018,458	290,296	312,910	342,000	1,607,587	46,257	150,214	12,397,352
Previous year	14,903,119	-	487,309	-	-	14,415,810	1,816,050	285,670	83,262	-	-	2,018,458	12,397,352	

SCHEDULE '5'**INVESTMENTS****LONG TERM (AT COST)****(In equity shares)****(UNQUOTED- TRADE)**

5,110 (Previous Year 5,110) Equity shares of Rs.10 each fully paid up in Powertel Engineering Private Limited; a subsidiary company

51,100

51,100

1,300,000 (Previous Year 1,300,000) Equity shares of Rs.10 each fully paid up in Xicon International Limited; an associate company

33,800,000

33,800,000

(UNQUOTED- NON TRADE)

2,200 (Previous year 2,200) Equity shares of Rs.25 each fully paid up in Thane Bharat Sahakari Bank Ltd.

55,000

55,000

33,906,100**33,906,100**

	As at 31/03/2011 Rs.	As at 30/06/2010 Rs.
SCHEDULE '6'		
CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
INVENTORIES (as valued and certified by the management)		
Raw materials	24,681	16,179
Work-in-progress	172,015	81,515
Total (A)	196,696	97,694
SUNDRY DEBTORS (Unsecured, considered good)		
Outstanding for a period exceeding six months	4,267	1,471
Others	2,666,083	694,138
Total (B)	2,670,350	695,609
CASH AND BANK BALANCES		
Cash on hand	156,437	648,603
Balance with scheduled bank:		
- in Current accounts	2,452,843	149,693
Total (C)	2,609,280	798,296
ASSETS HELD FOR DISPOSAL		
Fixed assets	1,456,921	-
Total (D)	1,456,921	-
LOANS AND ADVANCES (Unsecured, considered good)		
Advance to a body corporate	-	319,193
Advance recoverable in cash or kind or for value to be received	653,878	244,048
Taxes paid and refunds receivable (includes fringe benefit tax Nil; previous year Rs.17,857)	187,010	124,867
Total (E)	840,888	688,108
TOTAL (A+B+C+D+E)	7,774,135	2,279,707

	As at 31/03/2011 Rs.	As at 30/06/2010 Rs.
SCHEDULE '7'		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry creditors		
- Total outstanding dues of Micro and small enterprises (refer note 14 of Schedule 15)	-	-
- Others	751,594	593,981
Other liabilities	140,843	69,266
	892,437	663,247
PROVISIONS		
Provision for fringe benefit tax	19,643	37,500
Provision for retirement benefits	484,482	481,690
	504,125	519,190
	Current Period Rs.	Previous Year Rs.
SCHEDULE `8'		
SALES		
Printed articles sales	3,111,068	2,589,803
Textile sales	-	4,020,833
	3,111,068	6,610,636
SCHEDULE `9'		
OTHER INCOME		
Consultancy income	800,000	-
Dividend received	12,650	7,150
Income tax refund received	366,654	-
Profit on sale of fixed asset	128,474	-
Sundry balances written back (net)	33,945	-
	1,341,723	7,150
SCHEDULE `10'		
INCREASE/ (DECREASE) IN STOCKS		
Closing stock	172,015	81,515
Less : Opening stock	81,515	224,981
	90,500	(143,466)
SCHEDULE `11'		
RAW MATERIALS CONSUMED (Indigenous)		
Opening stock	16,179	19,001
Add : Purchases	548,403	3,885,559
Less : Closing stock	24,681	16,179
	539,901	3,888,381

	Current Period Rs.	Previous Year Rs.
SCHEDULE '12'		
EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, wages, bonus and allowances	423,040	548,087
Contribution to provident and other funds	34,784	40,555
Staff welfare expenses	20,936	53,046
	478,760	641,688

SCHEDULE '13'**MANUFACTURING AND OTHER EXPENSES**

Printing charges	247,883	233,770
Labour charges	2,103	56,342
Processing charges	4,977	21,185
Punching charges	16,265	29,952
Plate making charges	21,325	24,200
Pasting charges	15,714	14,658
Binding charges	29,427	9,991
Other manufacturing expenses	13,874	24,247
Auditors' remuneration:		
- Audit Fees	220,600	88,240
- Tax audit fees	55,150	22,060
- other services	64,526	-
Conveyance expenses	34,288	36,936
Carterage and hamali charges	23,715	78,398
Telephone expenses	11,965	23,017
Repairs and maintenance	26,163	29,611
Office expenses	12,051	24,989
Postage and telegram	23,928	38,164
Printing and stationery	31,491	13,985
Professional charges	350,058	227,175
Sales tax expense	-	12,208
Insurance charges	-	8,425
Rent, rates and taxes	333,667	68,465
Loss on sale of fixed assets	-	166,825
Selling and distribution expenses	45,476	25,363
Miscellaneous expenses	39,804	80,414
	1,624,450	1,358,620

SCHEDULE '14'**INTEREST AND FINANCE CHARGES**

On fixed loans	-	-
On others	50,329	77,526
Bank charges	2,624	1,614
	52,953	79,140

KAISER PRESS LIMITED

SCHEDULE 15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

1. **Significant accounting policies:**

a) **Basis of preparation of financial statements:**

The financial statements have been prepared in compliance with all material aspects of the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government, to the extent applicable and in accordance with the relevant provisions of the Companies Act, 1956.

The financial statements are prepared on the basis of historical cost convention, and on the accounting principle of a going concern.

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.

b) **Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) **Fixed assets:**

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all cost incidental to acquisition, installation, commissioning and pre-operative expenses allocated to such assets.

d) **Depreciation:**

Depreciation on fixed assets has been provided on straight-line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Depreciation on additions / deletions during the period is calculated on pro-rata basis from the date of such additions / deletions.

e) **Revenue recognition:**

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

f) **Investments:**

Long-term investments are valued at cost. Provision is made for diminution in the values when the decline is other than temporary.

g) **Inventories:**

- i) Inventories are valued at cost or net realizable value whichever is lower. Cost is determined on specific identification method. Obsolete, defective and unserviceable stocks are provided for, whenever required.
- ii) Work in process includes material cost, cost of conversion and other costs incurred in bringing them to their present location and condition.

h) Retirement benefits:**i) Defined contribution plan:**

The Company contributes on a defined contribution basis to Employees' Provident Fund, towards post employment benefits, which is administered by the respective government authorities and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains. The contributions towards provident fund/ pension scheme are accounted on accrual basis.

ii) Defined benefit plans:**i) Gratuity**

Gratuity liability is provided at the year end as per "The payment of Gratuity Act, 1972" and charged to profit and loss account.

ii) Employee leave entitlement

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided at the end of year and charged to the profit and loss account.

i) Accounting for taxes on income:

i) Provision for income tax is made on the basis of the estimated taxable income for the accounting year in accordance with the Income-tax Act, 1961.

ii) The deferred tax for timing differences between the book profits and tax profits for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is a reasonable / virtual certainty that these would be realised in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

j) Impairment of fixed assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

k) Provisions and contingent liabilities:

Provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2. Related party disclosures:

i) Related party relationships:

a)	Subsidiary Company	Powertel Engineering Private Limited
b)	Key management personnel	Mr. Jehangir R Patel (Chairman and Managing Director)
		Mr. B.L.Arora (Whole time Director)
c)	Relative of key management personnel	Makki R. Patel (Mother of Mr. Jehangir R Patel)
		Simin J. Patel (daughter of Mr. Jehangir R Patel)
		Veera J. Patel (wife of Mr. Jehangir R Patel)
d)	Enterprise in which key management personnel or their relatives have significant influence	Kaiser-E-Hind Private Limited
		Kaiser Arts Private Limited
		Parsiana Publications Private Limited
		Parsiana Publications
		Parsiana Media Private Limited

Notes:

- The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS)-18 'Related Party Disclosures' and the same have been relied upon by the auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year and previous year.

ii) Transactions with related parties are as follows:

Nature of Transactions	Subsidiary Company	Key management personnel	Relatives of key management personnel	Enterprise in which key management personnel or their relatives has significant influence	Total
	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)
Transactions during the year					
Sale of printed articles					
Powertel Engineering Pvt Ltd	1,313 (--)	-- (--)	-- (--)	-- (--)	1,313 (--)
Parsiana Publications Pvt Ltd	-- (--)	-- (--)	-- (--)	26,506 (360,575)	26,506 (360,575)
Parsiana Media Pvt Ltd.	-- (--)	-- (--)	-- (--)	(--) (1,733)	(--) (1,733)
Sale of machinery					
Powertel Engineering Pvt Ltd	240,750 (--)	-- (--)	-- (--)	-- (--)	240,750 (--)

Nature of Transactions	Subsidiary Company	Key management personnel	Relatives of key management personnel	Enterprise in which key management personnel or their relatives has significant influence	Total
	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)
Labour charges received					
Parsiana Publications Pvt Ltd	-- (--)	-- (--)	-- (--)	-- (32,552)	-- (32,552)
Consultancy services					
Powertel Engineering Pvt Ltd	800,000 (--)	-- (--)	-- (--)	-- (--)	800,000 (--)
Purchases					
Kaiser Arts Pvt Ltd	-- (--)	-- (--)	-- (--)	147,189 (--)	147,189 (--)
Loans taken					
Kaiser Arts Pvt. Ltd.	-- (--)	-- (--)	-- (--)	809,830 (409,807)	809,830 (409,807)
Kaiser-E-Hind Pvt. Ltd.	-- (--)	-- (--)	-- (--)	5,500,000 (204,000)	5,500,000 (204,000)
Simin J. Patel	-- (--)	-- (--)	80,000 (--)	-- (--)	80,000 (--)
Jahangir Patel	-- (--)	40,200 (415,000)	-- (--)	-- (--)	40,200 (415,000)
Loans repaid					
Kaiser-E-Hind Pvt. Ltd.	-- (--)	-- (--)	-- (--)	5,600,000 (179,977)	5,600,000 (179,977)
Kaiser Arts Pvt. Ltd.	-- (--)	-- (--)	-- (--)	615,000 (409,807)	615,000 (409,807)
Makki R. Patel	-- (--)	-- (--)	1,922,000 (--)	-- (--)	1,922,000 (--)
Veera J.Patel	-- (--)	-- (--)	60,000 (--)	-- (--)	60,000 (--)
Simin J. Patel	-- (--)	-- (--)	230,000 (--)	-- (--)	230,000 (--)
Jahangir Patel	-- (--)	3,440,000 (962,200)	-- (--)	-- (--)	3,440,000 (962,200)
Loans and advances given					
Kaiser Arts Pvt Ltd	-- (--)	-- (--)	-- (--)	-- (319,193)	-- (319,193)

Nature of Transactions	Subsidiary Company	Key management personnel	Relatives of key management personnel	Enterprise in which key management personnel or their relatives has significant influence	Total
	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)
Loans and advances received back					
Kaiser Arts Pvt Ltd	-- (--)	-- (--)	-- (--)	319,193 (--)	319,193 (--)
Interest on loan					
Simin J. Patel	-- (--)	-- (--)	15,500 (18,000)	-- (--)	15,500 (18,000)
Veera J.Patel	-- (--)	-- (--)	5,400 (7,200)	-- (--)	5,400 (7,200)
Directors Remuneration					
B. L. Arora	-- (--)	457,824 (588,642)	-- (--)	-- (--)	457,824 (588,642)
Reimbursement of expenses					
Kaiser- E-Hind Pvt Ltd	-- (--)	-- (--)	-- (--)	161,000 (--)	161,000 (--)
Balances at the year end					
Unsecured Loans					
Jahangir Patel	-- (--)	-- (3,399,800)	-- (--)	-- (--)	-- (3,399,800)
Simin J Patel	-- (--)	-- (--)	-- (150,000)	-- (--)	-- (150,000)
Veera J Patel	-- (--)	-- (--)	-- (60,000)	-- (--)	-- (60,000)
Makki R Patel	-- (--)	-- (--)	-- (1,922,000)	-- (--)	-- (1,922,000)
Kaiser-E- Hind Pvt Ltd.	-- (--)	-- (--)	-- (100,000)	-- (--)	-- (100,000)
Kaiser Arts Pvt. Ltd	-- (--)	-- (--)	-- (--)	194,830 (--)	194,830 (--)
Sundry debtors					
Powertel engineering Pvt Ltd	960,750 (--)	-- (--)	-- (--)	-- (--)	960,750 (--)
Parsiana Publications Pvt Ltd	-- (--)	-- (--)	-- (--)	23,684 (--)	23,684 (--)
Parsiana Media Pvt Ltd.	-- (--)	-- (--)	-- (--)	-- (1,733)	-- (1,733)
Sundry creditors					
Kaiser- E-Hind Pvt Ltd	-- (--)	-- (--)	-- (--)	161,000 (--)	161,000 (--)
Loans given outstanding					
Kaiser Arts Pvt Ltd	(--) (--)	(--) (--)	(--) (--)	-- (319,193)	-- (319,193)

3. The Company had two primary business segments viz: 1) Printing of labels, packaging materials, Magazines and articles of stationery and 2) Textile trading in Fabric during the year ended 30 June 2010 and only one business segment viz. Printing of labels, packaging materials, Magazines and articles of stationery during the current period. The Company does not have any reportable geographical segment. Primary segment information for previous year is as under:

Information about business segment - Primary		(Amount in Rs.)		
No.	Particulars	2009-10		
		Printing division	Textile Division	Total
		Rs.	Rs.	Rs.
1	Segment revenue			
	Sales	2,589,803	4,020,833	6,610,636
	Less : Inter segment revenue	--	--	--
	Net Revenue from Operations	2,589,803	4,020,833	6,610,636
2	Result			
	Segment results	(406,707)	706,669	299,962
	Add / (Less) :			
	Inter segment profit			-
	Net segment result			299,962
	Unallocated corporate expenses (Net of income)			-
	Operating profit / (Loss)			299,962
	Less: Interest and finance charges			79,140
	Profit / (Loss) before tax and extra-ordinary items			220,822
	Extra ordinary items			-
	Profit / (Loss) before tax			220,822
	Add / (Less) :			
	Provision for current tax			-
	Provision for deferred tax			663,276
	Provision for wealth tax			-
	Profit / (Loss) after tax			884,098
3	Other information			
	Segment assets	48,443,500	14,792	48,458,292
	Add: Unallocable common assets			-
	Total assets			48,458,292
	Segment liabilities	995,880	186,557	1,182,437
	Add: Unallocable common liabilities			-
	Total liabilities			1,182,437
	Capital expenditure during the year	-	-	-
	Add : Unallocated capital expenditure			-
	Total Capital Expenditure			-
	Depreciation and amortisation	285,670	-	285,670
	Add : Unallocated depericiation			-
	Total Depericiation and amortisation			285,670
	Non-cash expenditure	285,670	-	285,670
	Add : unallocated non cash-expenditure			-
	Total non cash-expenditure			285,670

4. Earnings per share (EPS):

Basic and diluted			
(i)	Net profit/(loss) after tax and before extraordinary items as per profit and loss account (Rs.)	2,568,894	884,098
(ii)	Net profit/(loss) after tax available for equity share holders for basic loss per share	2,568,894	884,098
(iii)	Net profit/(loss) after tax available for equity share holders for diluted loss per share	2,568,894	884,098
(iv)	Extraordinary Item:		
	Loss on impairment of fixed assets	(10,312,489)	--
	Compensation for negotiated settlement	5,500,000	--
	Expenses incurred	(161,000)	-
(v)	Net profit/(loss) after tax and extraordinary item available for equity share holders for basic loss per share (ii+iv)	(2,404,595)	884,098
(vi)	Net profit/(loss) after tax and extraordinary item available for equity share holders for diluted loss per share (iii+iv)	(2,404,595)	884,098
(vii)	Weighted average number of equity shares outstanding during the year for basic loss per share (No. of shares)	5,051,600	5,051,600
(viii)	Weighted average number of equity shares outstanding during the year for diluted loss per share (No. of shares)	5,145,473	5,051,600
(ix)	Basic profit/(loss) per share excluding extraordinary profit (Rs.)(ii/vii)	0.51	0.18
(x)	Diluted profit/(loss) per share excluding extraordinary profit (Rs.)(iii/viii)	0.50	0.18
(xi)	Basic profit/(loss) per share including extraordinary profit (Rs.)(v /vii)	(0.48)	0.18
(xii)	Diluted profit/(loss) per share including extraordinary profit (Rs.)(vi /vii)	(0.47)	0.18
(xiii)	Nominal value of share (Rs.)	10.00	10.00

5. Major component of deferred tax balance as at the year end accounted in accordance with the Accounting Standard (AS) – 22 “Accounting for Taxes on Income”.

Particulars	As at 31/03/2011 Rupees	As at 30/06/2010 Rupees
Deferred tax liability on account of:		
Depreciation	--	(466,703)
Less: Deferred tax assets on account of:		
Depreciation	493,891	--
Disallowances u/s 40(a)(ai)	--	6,180
Provision for retirement benefits	146,927	134,458
Statutory payment under section 43B	2,779	13,090
Unabsorbed losses and depreciation	3,565,605	3,510,214
Deferred tax assets / (liability) (net)	4,209,202	3,197,239

6. Extra-ordinary items consists of the following:

Sr. No.	Particulars	Current period Rs.
a)	Loss on impairment of fixed assets (refer note no. 7 below)	(10,312,489)
b)	Compensation received	5,500,000
c)	Legal expenses incurred on above	(161,000)
	Total	(4,973,489)

7. During the period, the Company has provided for an impairment loss on fixed assets of Rs. 10,312,489 on the basis of review carried out in accordance with Accounting Standard (AS)- 28 “Impairment of Assets”, Impairment loss comprises of unamortised amount of Goodwill of Rs. 8,500,000 and plant and machinery of Rs. 1,812,489.
8. Certain items of plant and machinery which are not likely to be used in future, has been identified and transferred from fixed assets to assets held for disposal at book value, which management considers to be a realizable value.
9. Sundry debtors include Rs. 23,684 (previous year Rs. Nil) from Parsiana Publications Private Limited, a Company in which the director of the Company is director. Maximum balance outstanding during the period Rs. 23,684 (previous year Rs. Nil).
10. Advance to body corporate represent Rs. Nil (Previous year Rs. 319,193) to Kaiser Arts Pvt. Ltd., in which director of the Company is a director. Maximum balance outstanding during the period Rs. Nil (previous year Rs. 319,193).
11. Advances recoverable in cash or in kind or for value to be received include Rs. 547,899 (previous year Rs. 96,557) being amount paid to a supplier against the material, from time to time but no materials were received against that. The management is hopeful of recovering the same / adjusting against supplies.

12. Managerial remuneration

Remuneration to a director

Particulars	Current Period Rs.	Previous year Rs.
Salaries	322,740	361,320
Contribution to provident fund	34,784	40,555
Retirement benefits	49,342	131,829
Bonus	--	32,762
Ex- gratia	50,958	22,176
Total	457,824	588,642

13. a) In the opinion of the management, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known and determined liabilities are adequate and not in the excess of the amount reasonably stated.
- b) Balances of certain debtors, creditors, unsecured loans and advances given are subject to confirmation / reconciliation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation / adjustments.
14. The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any information from its suppliers as on date regarding their status under the above said Act, no disclosure has been made.
15. Additional information pursuant to Part II of Schedule VI to the Companies Act, 1956

Quantitative/Value Information:

- a) Licensed Capacity - Not Applicable
b) Installed Capacity - Not Applicable
c) Purchases, Production Turnover and Stock:

The Company is in the business of "Printing of labels, packaging materials, Magazines and articles of stationery" wherein materials manufactured and purchased are of heterogeneous nature. Considering the peculiarity of activities, the quantitative information of consumption of materials as required under Part II of Schedule VI of the Companies Act, 1956 could not be ascertained.

16. The Company is yet to appoint a Company Secretary as required under Section 383A of the Companies Act, 1956, as such the accounts have not been signed by a Company Secretary.
17. a) Previous year figures have been rearranged or regrouped, wherever considered necessary to conform to the current year's presentation.
- b) During the year, the Company has changed its financial year from 30 June to 31 March. As such, the current financial year is of nine months i.e. from 01 July 2010 to 31 March 2011 as compared to previous year of twelve months i.e. 01 July 2009 to 30 June 2010 and hence, the current period's figures are not comparable with the figures of the previous year.

Signature to schedules '1' to '15'

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors

(Ramesh Gupta)
PARTNER
Membership No. 102306

Jehangir. R. Patel-
Chairman and Managing Director

Bhushanlal Arora-
Director

Anagha Korde-
Director

Mumbai; Dated : 29/08/2011

Mumbai; Dated : 29/08/2011

KAISER PRESS LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	:	74,035
State Code	:	11
Balance Sheet Date.	:	31/03/2011

II. Capital raised during the year : (Amount in Rs. Thousands)

Public Issue (Net of allotment money in arrears)	:	Nil
Rights Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

III. Position of Mobilisation and Deployment of Funds**: (Amount in Rs. Thousands)**

Total Liabilities		56,365
Total Assets		56,365

Sources of Funds

Paid-up Capital	:	50,489
Reserves and Surplus	:	1,403
Share application money	:	2,806
Secured Loans	:	Nil
Unsecured Loans	:	271

Application of Funds

Net Fixed Assets (including Capital WIP)	:	150
Investments	:	33,906
Deferred tax Assets	:	4,209
Net Current assets	:	6,378
Miscellaneous Expenditure	:	Nil
Accumulated Losses	:	10,326

IV. Performance of Company**: (Amount in Rs. Thousands)**

Turnover (including other income)	:	4,453
Total Expenditure (Net of increase/decrease in stocks)	:	2,896
	:	Nil
Profit before tax and Extra-ordinary items	:	1,557
Extra-Ordinary items	:	4,973
Profit after tax and Extra-Ordinary Items:		(2,405)
Earning per share (Face value Rs. 10)	:	
Basic earning per share excluding extra-ordinary items (net of tax expense) (in Rs.)		0.51
Diluted earning per share excluding extra-ordinary items (net of tax expense) (in Rs.)		0.50
Basic earning per share including extra-ordinary items (in Rs.)		(0.48)
Diluted earning per share including extra-ordinary items (in Rs.)		(0.47)

V. Generic Names of Three Principal Products / Services of the Company : (As per monetary terms)
(As per monetary terms)

Item Code No. (ITC Code)	:	4901 10 20
Product Description	:	Printing and packaging

AUDITORS' REPORT

TO
The Board of Directors of
KAISER PRESS LIMITED

1. We have audited the attached consolidated balance sheet of Kaiser Press Limited ("the Company") and Powertel Engineering Private Limited, its subsidiary together referred to as the ('Group') as at 31 March 2011, the consolidated profit and loss account and also the consolidated cash flow statement for the period ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated 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 test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiary entity, namely Powertel Engineering Private Limited, whose financial statements reflect total assets of Rs. 35,524,171 as at 31 March 2011, total revenue of Rs. 34,577,000 and net cash inflow amounting to Rs. 672,333 for the period ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said subsidiary is based solely on the report of other auditors.
4. We report that the consolidated financial statements have been prepared by the Kaiser Press Limited's management in accordance with the requirements of Accounting Standard (AS) - 21, 'Consolidated Financial Statements' and Accounting Standard (AS) - 23, 'Accounting for Investments in Associates in Consolidated Financial Statements' notified under the Companies (Accounting Standards) Rules, 2006.
5. As at 31 March 2011, the Parent Company has accounted for deferred tax assets of Rs. 4,209,202 (including Rs 1,011,963 pertaining to current period) based on future projected profitability and management's perception and judgment about virtual certainty of future taxable profits that would be available to realise deferred tax assets. In view of past performance of the Parent Company and considering other relevant factors, in our opinion, the criteria of virtual certainty that there will be future taxable profits is not met as laid down in Accounting Standard (AS) – 22 'Accounting for Taxes on Income' notified by the Central Government and hence, accounting of deferred tax assets is not in accordance with the Accounting Standard.

Consequently, the loss (after extra ordinary item) for the period is lower by Rs. 1,011,963 and accumulated losses are lower by Rs.4,209,202 and deferred tax assets are higher by Rs 4,209,202 as at 31 March 2011. (Refer note B.3 of Schedule '16')

6. We further report that, had the observations made by us in paragraph 5 above been considered, the loss for the period would have been Rs. 1,566,081 2,982,475 (as against the reported figure of Rs. 554,1181,970,512), accumulated losses would have been Rs. 6,981,225 (as against the reported figure of Rs 2,772,023).

7. Based on our audit and on consideration of reports of other auditor and on the other financial information of the components and to the best of our information and according to the explanations given to us, subject to what is stated in paragraphs 5 and 6 above, we are of the opinion that the attached consolidated financial statements read with notes thereon in Schedule '16', give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2011;
 - b) in the case of the consolidated profit and loss account, of the loss of the Group for the period ended on that date; and
 - c) in the case of the consolidated cash flow statement, of the cash flows of the Group for the period ended on that date.

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants
Firm Reg. No. 121750W

(Ramesh Gupta)
PARTNER

Membership No.: 102306
Mumbai; Dated: 29/08/2011

KAISER PRESS LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2011

	Schedule	As at 31.03.2011 (Rs.)	As at 30.06.2010 (Rs.)
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	1	50,489,050	50,489,050
Reserves and surplus	2	2,106,293	2,206,293
Share application money (pending allotment)		2,806,000	-
Deferred tax liability (net)		235,904	169,797
Minority interest		1,305,502	1,146,950
Loan funds			
Secured loans	3	1,080,549	2,002,452
Unsecured loans	4	270,653	6,590,873
TOTAL FUNDS EMPLOYED		58,293,951	62,605,415
APPLICATION OF FUNDS			
Fixed assets			
Gross Block	5	3,616,993	16,540,528
Less: Depreciation		1,024,650	2,792,508
Net block		2,592,343	13,748,020
Investments	6	40,805,200	33,856,000
Deferred tax assets (net)		4,209,202	3,197,239
Current assets, loans and advances			
Inventories	7	3,080,006	2,965,434
Sundry debtors		28,495,483	20,413,495
Cash and bank balances		5,346,836	2,863,519
Assets held for disposal		1,456,921	-
Loans and advances		1,515,181	2,256,662
Total 'A'		39,894,427	28,499,110
Less : Current liabilities and provisions			
Current liabilities	8	31,250,119	22,644,358
Provisions		729,125	1,596,190
Total 'B'		31,979,244	24,240,548
Net current assets (A - B)		7,915,183	4,258,562
Profit and loss account (debit balance)		2,772,023	7,545,594
TOTAL FUNDS UTILISED		58,293,951	62,605,415
Accounting policies and notes to accounts	16		

Schedules referred to above form an integral part of the consolidated financial statements

As per our report of even date attached
FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

(Ramesh Gupta)
PARTNER
Membership No.: 102306

Mumbai ; Dated : 29/08/2011

On behalf of the Board of Directors
Jehangir. R. Patel-
Chariman and Managing Director

Bhushanlal Arora-
Director

Anagha Korde-
Director

Mumbai ; Dated : 29/08/2011

KAISER PRESS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2011

	Schedule	As at 31.03.2011 (Rs.)	As at 30.06.2010 (Rs.)
INCOME			
Sales	9	37,686,818	43,465,431
Other income	10	1,650,241	634,467
Increase/ (decrease) in stocks	11	421,163	209,899
		<u>39,758,222</u>	<u>44,309,797</u>
EXPENDITURE			
Cost of materials	12	26,937,664	32,117,522
Employees' remuneration and benefits	13	2,843,143	2,604,522
Manufacturing and other expenses	14	6,985,116	8,072,884
Interest and finance charges	15	215,539	90,674
Depreciation		494,639	425,380
		<u>37,476,101</u>	<u>43,310,982</u>
PROFIT/(LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS		2,282,121	998,815
Less : Extra ordinary items (refer note B.5 of Schedule '16')		<u>(4,973,489)</u>	-
PROFIT/(LOSS) AFTER TAX AND EXTRAORDINARY ITEMS		(2,691,368)	998,815
Provision for taxation			
-Current year		(225,000)	(270,000)
-Deferred tax benefit / (expense) (net)		945,856	662,717
Share of profit of associates for the period		1,721,511	-
PROFIT/(LOSS) AFTER TAXATION AND BEFORE PRIOR PERIOD			
ADJUSTMENTS AND MINORITY INTEREST		(249,001)	1,391,532
Prior Period Income/(Expenses)		(36,057)	-
Prior Period Tax Adjustments		<u>(110,508)</u>	<u>1,827,905</u>
PROFIT/(LOSS) AFTER TAX AND BEFORE MINORITY INTEREST		(395,566)	3,219,437
Minority Interest for the period / year		<u>(158,552)</u>	<u>(422,137)</u>
PROFIT/(LOSS) FOR THE PERIOD / YEAR		(554,118)	2,797,300
Transfer from general reserve		100,000	-
Balance brought forward from previous year		(7,545,594)	(10,342,894)
Share of profit of associates upto 30.06.2010		5,227,689	-
BALANCE CARRIED TO BALANCE SHEET		(2,772,023)	(7,545,594)
Basic earnings per share excluding extraordinary items (net of tax expenses)		0.90	0.19
Diluted earnings per share excluding extraordinary items (net of tax expenses)		0.89	0.19
Basic earnings per share including extraordinary items		(0.08)	0.19
Diluted earnings per share including extraordinary items		(0.08)	0.19
Nominal value of equity shares (Rs.)		10.00	10.00

Accounting policies and notes to accounts 16

Schedules referred to above form an integral part of the consolidated financial statements

As per our report of even date attached
FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

(Ramesh Gupta)
PARTNER
Membership No.: 102306

On behalf of the Board of Directors

Jehangir. R. Patel-
Chariman and Managing Director

Bhushanlal Arora-
Director

Anagha Korde-
Director

Mumbai ; Dated : 29/08/2011

Mumbai ; Dated : 29/08/2011

KAISER PRESS LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2011

	Current Period Rs.	Previous Year Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extra ordinary items	2,282,121	998,815
Adjustments for		
Depreciation	494,639	425,380
(Profit) / loss on sale of fixed assets	(128,474)	166,825
Interest income	(98,664)	-
Interest and finance charges	215,539	90,674
Exchange difference loss/(gain)	130,613	-
Dividend income on investments	(12,650)	(7,150)
Operating profit before working capital adjustments	2,883,124	1,674,544
Adjustments for		
Inventories	(114,572)	(56,643)
Trade and other receivables	(8,279,274)	(12,179,359)
Trade payable and other trade liabilities	8,608,553	11,389,859
Cash generated from operations	3,097,831	828,401
Direct taxes paid	(397,211)	(29,686)
Prior year expenses	(36,057)	-
Extraordinary items	5,339,000	-
Net cash generated from operating activities	8,003,563	798,715
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital work in progress)	(1,324,398)	(335,242)
Sale of fixed assets	344,500	-
Sale of investments	-	2,485,000
Loans received (net)	-	120,219
Dividend income	12,650	7,150
Interest income	98,664	-
Net cash generated from/ (used in) investing activities	(868,584)	(207,873)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share application money received	2,806,000	-
Proceeds / (repayment) of secured borrowings (net)	(921,903)	-
Proceeds / (repayment) of unsecured borrowings (net)	(6,320,220)	(426,377)
Interest and finance charges	(215,539)	(79,140)
Net cash generated from/(used in) financing activities	(4,651,662)	(505,517)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,483,317	85,325
Cash and cash equivalents at the beginning of the year	2,863,519	2,778,194
Cash and cash equivalents at the end of the year	5,346,836	2,863,519

Note:

The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on 'Cash Flow Statements' notified by Companies (Accounting Standards) Rules, 2006.

Accounting policies and notes to accounts are given in Schedule '16'

As per our report of even date attached

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

(Ramesh Gupta)
Partner

Membership No : 102306

For and on behalf of the Board of Directors

On behalf of the Board of Directors

Jehangir. R. Patel-
Chariman and Managing Director
Bhushanlal Arora-
Director
Anagha Korde-
Director

Mumbai ; Dated : 29/08/2011

Mumbai ; Dated : 29/08/2011

KAISER PRESS LIMITED
SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2011 (Rs.)	As at 30.06.2010 (Rs.)
SCHEDULE '1'		
SHARE CAPITAL		
Authorised		
10,000,000 (previous year 6,000,000) Equity shares of Rs.10 each.	100,000,000	60,000,000
	<u>100,000,000</u>	<u>60,000,000</u>
Issued, subscribed and paid-up		
5,051,600 (previous year 5,051,600) Equity shares of Rs. 10 each fully paid up	50,516,000	50,516,000
Less: Calls in arrears (From others)	(26,950)	(26,950)
	<u>50,489,050</u>	<u>50,489,050</u>
SCHEDULE '2'		
RESERVES AND SURPLUS		
Capital reserve		
Balance as per last balance sheet	1,403,000	-
Add: Addition on account of forfeited shares	-	1,403,000
	<u>1,403,000</u>	<u>1,403,000</u>
General reserve		
Balance as per last balance sheet	100,000	100,000
Less: Transferred to profit and loss account	(100,000)	-
	<u>-</u>	<u>100,000</u>
Capital reserve on consolidation		
	<u>703,293</u>	<u>703,293</u>
	<u>703,293</u>	<u>703,293</u>
	<u>2,106,293</u>	<u>2,206,293</u>
SCHEDULE '3'		
SECURED LOANS		
From banks		
Cash credit	181,012	173,244
Export packing credit	899,537	898,969
Bill discounting	-	930,239
	<u>1,080,549</u>	<u>2,002,452</u>
(The above loans are secured by hypothecation of inventories and book debts and hypothecation / mortgage of fixed assets)		
SCHEDULE '4'		
UNSECURED LOANS		
Short term loans		
From a director	-	3,399,800
From shareholders	-	617,250
From relatives of directors	-	1,922,000
From body corporates	270,653	651,823
	<u>270,653</u>	<u>6,590,873</u>

KAISER PRESS LIMITED
SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS

SCHEDULE '5'
FIXED ASSETS

Description of Assets	GROSS BLOCK (AT COST)						DEPRECIATION					NET BLOCK		
	As at 30.06.2010	Additions	(Deductions / adjustments)			As at 31.03.2011	Upto 30.06.2010	For the Period	(Deductions / adjustments)			Upto 31.03.2011	As at 31.03.2011	As at 30.06.2010
			Sale	Impairment	Transferred to assets held for				Sale	Impairment	Transferred to assets held for disposal			
Goodwill	8,500,000	-	-	8,500,000	-	-	-	-	-	-	-	-	8,500,000	
Plant and machinery	6,925,070	240,750	528,936	2,154,489	3,064,508	1,417,887	2,304,547	322,225	312,910	342,000	1,607,587	364,275	1,053,612	4,620,523
Computer installations	266,610	1,012,379	-	-	-	1,278,989	153,985	105,938	-	-	-	259,923	1,019,066	112,625
Electrical installations	201,318	-	-	-	-	201,318	77,555	9,557	-	-	-	87,112	114,206	123,763
Furniture and fixtures	123,992	71,269	-	-	-	195,261	41,524	11,777	-	-	-	53,301	141,960	82,468
Office equipments	17,288	-	-	-	-	17,288	4,968	2,199	-	-	-	7,167	10,121	12,320
Moulds	506,250	-	-	-	-	506,250	209,929	42,943	-	-	-	252,872	253,378	296,321
Total	16,540,528	1,324,398	528,936	10,654,489	3,064,508	3,616,993	2,792,508	494,639	312,910	342,000	1,607,587	1,024,650	2,592,343	13,748,020
Previous year	16,929,817	98,020	487,309	-	-	16,540,528	2,450,390	425,380	83,262	-	-	2,792,508	13,748,020	

SCHEDULE '6'

INVESTMENTS

NON-TRADE

Long term:

(Unquoted-Trade)

Investment in associate company

1,300,000 (previous year 1,300,000) Equity shares of Rs. 10 each fully paid up in Xicon International Limited (includes goodwill of Rs.

14,392,389 arising on acquisition of shares)

33,800,000

33,800,000

Add: Share of profit upto 30.06.2010

5,227,689

-

Add: Share of profit for the period

1,721,511

-

40,749,200

33,800,000

(Unquoted-Non trade)

Investment in others

10 (previous year 10) Equity shares of Rs. 100 each fully paid up in Lorance Investments and Trading Limited

1,000

1,000

2,200 (previous year 2,200) Equity shares of Rs. 25 each fully paid up in Thane Bharat Sahakari Bank Limited

55,000

55,000

40,805,200

33,856,000

SCHEDULE '7'

CURRENT ASSETS, LOANS AND ADVANCES

CURRENT ASSETS

Inventories

(As taken, valued and certified by the management)

Raw materials

2,223,963

2,530,554

Work in progress

362,216

157,805

Finished goods

493,827

277,075

(A) 3,080,006

2,965,434

Sundry debtors

(Unsecured, considered good)

Outstanding for a period exceeding six months

24,582,694

-

Others

3,912,789

20,413,495

(B) 28,495,483

20,413,495

KAISER PRESS LIMITED
SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2011 (Rs.)	As at 30.06.2010 (Rs.)
Cash and bank balances		
Cash on hand	254,277	768,497
Bank balance with scheduled banks:		
-in current accounts	3,077,064	185,599
-in margin money accounts	2,015,495	1,909,423
	(C) 5,346,836	2,863,519
Assets held for disposal		
Fixed assets	1,456,921	-
	(D) 1,456,921	-
LOANS AND ADVANCES		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	717,914	651,241
Deposits	484,140	484,140
Taxes paid	313,127	1,121,281
(includes fringe benefit tax of Rs. Nil; previous year Rs.17,857)		
	(E) 1,515,181	2,256,662
	(A+B+C+D+E) 39,894,427	28,499,110
SCHEDULE '8'		
CURRENT LIABILITIES		
Sundry creditors		
- Total outstanding dues of micro and small enterprises	-	-
- Others	29,046,711	21,529,441
Other liabilities	2,203,408	1,114,917
	31,250,119	22,644,358
PROVISIONS		
Provision for taxation	244,643	1,114,500
Provision for retirement benefits	484,482	481,690
	729,125	1,596,190
	Current Period	Previous Year
	(Rs.)	(Rs.)
SCHEDULE '9'		
SALES		
Sales of compounding of heat shrinkable accessories and joining kits	34,577,000	36,854,795
Printed articles	3,109,818	2,589,803
Textile sales	-	4,020,833
	37,686,818	43,465,431
SCHEDULE '10'		
OTHER INCOME		
Dividend received	12,650	7,150
Interest income	98,664	-
Balances written-back (net)	33,945	-
Profit on sale of fixed assets	128,474	-
Income tax refund received	366,654	-
Export incentive received	71,341	-
Miscellaneous income	938,513	627,317
	1,650,241	634,467

KAISER PRESS LIMITED
SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS

	Current Period (Rs.)	Previous Year (Rs.)
SCHEDULE '11'		
INCREASE / (DECREASE) IN STOCKS		
Closing stock of finished goods	493,827	277,075
Closing stock of stock in process	362,216	157,805
(A)	856,043	434,880
Opening stock of finished goods	277,075	-
Opening stock of stock in process	157,805	224,981
(B)	434,880	224,981
(A-B)	421,163	209,899
SCHEDULE '12'		
COST OF MATERIALS CONSUMED		
Raw materials consumed:		
Opening Stock	2,530,554	2,683,810
Add: Purchases	26,631,073	31,964,266
Less: Closing stock	2,223,963	2,530,554
	26,937,664	32,117,522
SCHEDULE '13'		
EMPLOYEES' REMUNERATION AND BENEFITS		
Salaries, wages, bonus and allowances	2,522,390	2,289,635
Contribution to provident and other funds	180,554	186,536
Staff welfare expenses	140,199	128,351
	2,843,143	2,604,522
SCHEDULE '14'		
MANUFACTURING AND OTHER EXPENSES		
Carriage Inward	373,538	483,549
Factory rent	490,900	211,200
Processing charges	349,465	233,770
Material transportation charges	143,135	246,499
Power and fuel	477,740	191,040
Labour cost	1,918,994	4,755,151
Communication expenses	57,547	100,065
Exchange rate difference	130,613	-
Travelling and conveyance expenses	443,025	470,425
Legal and professional expenses	582,275	421,735
Rent, rates and taxes	572,455	252,965
Insurance charges	7,271	18,425
Auditors remuneration:		
- For audit	264,720	88,240
- For tax audit	55,150	22,060
- For other services	64,526	-
Repairs and maintenance	133,377	50,869
Postage and telegram	28,317	38,164
Printing and stationery	43,211	13,985
Security charges	383,802	-
Selling and distribution expenses	48,977	25,363
Sales tax	-	12,208
Sundry balance written off	123,360	27,216
Loss on sale of fixed assets	-	166,825
Miscellaneous expenses	292,718	243,130
	6,985,116	8,072,884
SCHEDULE '15'		
INTEREST		
On fixed loans	-	-
Others	50,329	77,526
Bank charges	165,210	13,148
	215,539	90,674

KAISER PRESS LIMITED

SCHEDULE - 16

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A. Significant accounting policies:

1) Basis of preparation of consolidated financial statements:

These consolidated financial statements have been prepared on the basis of historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standard (AS)-21 'Consolidated Financial Statements' and Accounting Standard (AS)-23 'Accounting for Investments in Associates in Consolidated Financial Statements' notified under the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements are presented in Indian rupees.

2) Principles of consolidation:

The consolidated financial statements include the financial statements of Kaiser Press Limited, the parent company (hereinafter referred to as the 'Company'), and Powertel Engineering Private Limited, its subsidiary (collectively referred to as the 'Group').

I. The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and the subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the Company and its share in the post acquisition increase in the relevant reserves of the subsidiary.
- ii) Transactions relating to Profit and Loss Account of the acquired subsidiary have been included in the Consolidated Profit and Loss Account from the effective date of acquisition on proportionate basis assuming that profits / loss have accrued evenly through out the period wherever financial statements are not drawn till the date of acquisition.
- iii) The excess of the cost of acquisition of investments in the subsidiary over the acquired portion of the equity in the subsidiary is recognised in the financial statement as 'goodwill'. The excess of acquired portion of equity in the subsidiary over the cost of acquisition of investment in the subsidiary is recognised in the financial statement as 'capital reserve'.
- iv) Minority interest in the net assets of consolidated subsidiary consists of:
 - a) the amount of equity attributable to minorities at the date on which investment in subsidiary is made; and
 - b) the minorities' share of movements in equity since the date the parent and subsidiary relationship came into existence.
- v) Investments in associates are accounted under equity method. Under the equity method, the investment is initially recorded at cost, identifying goodwill/capital reserve arising at the time of acquisition and the carrying amount is increased / decreased to recognise Group's share of profits/losses of the associates after the date of acquisition. Goodwill/Capital reserve arising on acquisition of the associates is included in the carrying amount of the respective investments.
- vi) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.
- vii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible.

II. The subsidiaries and associate company considered in the consolidated financial statements are:

Name of the Company	Relationship	Country of incorporation	Extent of holding (%)	Reporting currency	Effective date of becoming subsidiary
Powertel Engineering Private Limited	Subsidiary	India	51.00% (51.00%)	Indian Rupees	27.02.2009
Xicon International Limited	Associate	Indian	46.44% (46.44%)	Indian Rupees	30.06.2007

3) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

4) Fixed assets:

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all cost incidentals to acquisition, installation, commissioning and pre-operative expenses allocated to such assets.

5) Depreciation:

Depreciation on assets is provided by the Group on straight line method (SLM) at the rates and in the manner specified in the schedule XIV to the Companies Act, 1956 except in the case of Powertel Engineering Private Limited, Computer Installation is depreciated at 33.33%.

Depreciation on assets in respect of subsidiary is provided on straight line method on pro-rata basis from the date of such additions / deletions.

6) Investments:

Long term investments are valued at cost. Provision is made for diminution in the values where the decline is other than temporary.

7) Inventories:

- a) Inventories are valued at cost or net realizable value whichever is lower. Cost is determined on specific identification method. Obsolete, defective and unserviceable stocks are provided for, whenever required.
- b) Work in process includes material cost, cost of conversion and other costs incurred in bringing them to their present location and condition.
- c) Stores and spares are charged / written off to the manufacturing and operating expenses in the year of purchase.

8) Revenue recognition:

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable and when no significant uncertainty as to measurability or collectability exists.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

9) Retirement benefits:

i. Defined contribution plans

The Group contributes on a defined contribution basis to Employee's Provident Fund, towards post employment benefits, which is administered by the respective government authorities and has no further obligation beyond making its contribution, which is expensed in the period to which it pertains. The contributions towards provident fund / pension scheme are accounted on accrual basis.

ii. Defined benefit plans

a) Gratuity

Gratuity liability is provided at the period end as per "The payment of Gratuity Act, 1972" and charged to profit and loss account.

b) Employee leave entitlement

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided at the end of period and charged to the profit and loss account.

iii. There is no retirement benefit in the subsidiary company.

10) Accounting for taxes on income:

i) Provision for income tax is made on the basis of the estimated taxable income for the accounting period in accordance with the Income Tax Act, 1961.

ii) The deferred tax for timing differences between the book profits and tax profits for the period is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is a virtual / reasonable certainty that these would be realised in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

11) Impairment of assets:

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

12) Provisions and contingent liabilities:

The Group creates a provision when there is a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

B. Notes to accounts:**1) Related party disclosure:****i) Related parties and their relationships:**

a)	Associate Company	Xicon International Limited
b)	Key management personnel	Mr. Jehangir R Patel (Chairman and Managing Director)
		Mr. B.L.Arora (Wholetime director)
		Mr. Albert Thomas (Director)
c)	Relative of key management personnel	Makki R. Patel (Mother of Mr. Jehangir R Patel)
		Simin J. Patel (daughter of Mr. Jehangir R Patel)
		Veera J. Patel (wife of Mr. Jehangir R Patel)
d)	Enterprise in which key management personnel or their relatives have significant influence	Kaiser-E-Hind Private Limited
		Kaiser Arts Private Limited
		Parsiana Publications Private Limited
		Parsiana Publications
		Parsiana Media Private Limited

Notes:

- a) The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS) -18 'Related Party Disclosures' notified under the Companies (Accounting Standards) Rules, 2006 and the same have been relied upon by the auditors.
- b) The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the period and previous year.

ii) Transactions with related parties are as follows:

Nature of Transactions	Key management personnel	Relatives of key management personnel	Enterprise in which key management personnel or their relatives has significant influence	Total
	(Rs)	(Rs)	(Rs)	(Rs)
Sale of printed articles				
Parsiana Publications Pvt Ltd	-- (--)	-- (--)	26,506 (360,575)	26,506 (360,575)
Parsiana Media Pvt Ltd.	-- (--)	-- (--)	-- (1,733)	-- (1,733)
Labour charges received				
Parsiana Publications Pvt Ltd	-- (--)	-- (--)	-- (32,552)	-- (32,552)
Purchases				
Kaiser Arts Pvt Ltd	-- (--)	-- (--)	147,189 (--)	147,189 (--)

Nature of Transactions	Key management personnel	Relatives of key management personnel	Enterprise in which key management personnel or their relatives has significant influence	Total
	(Rs)	(Rs)	(Rs)	(Rs)
Loans taken				
Kaiser Arts Pvt. Ltd.	-- (--)	-- (--)	809,830 (409,807)	809,830 (409,807)
Kaiser-E-Hind Pvt. Ltd.	-- (--)	-- (--)	5,500,000 (204,000)	5,500,000 (204,000)
Simin J. Patel	-- (--)	80,000 (--)	-- (--)	80,000 (--)
Jehangir R Patel	40,200 (415,000)	-- (--)	-- (--)	40,200 (415,000)
Loans repaid				
Kaiser-E-Hind Pvt. Ltd.	-- (--)	-- (--)	5,600,000 (179,977)	5,600,000 (179,977)
Kaiser Arts Pvt. Ltd.	-- (--)	-- (--)	615,000 (409,807)	615,000 (409,807)
Makki R. Patel	-- (--)	1,922,000 (--)	-- (--)	1,922,000 (--)
Veera J.Patel	-- (--)	60,000 (--)	-- (--)	60,000 (--)
Simin J. Patel	-- (--)	230,000 (--)	-- (--)	230,000 (--)
Jehangir R Patel	3,440,000 (962,200)	-- (--)	-- (--)	3,440,000 (962,200)
Loans and advances given				
Kaiser Arts Pvt Ltd	-- (--)	-- (--)	-- (319,193)	-- (319,193)
Loans and advances received back				
Kaiser Arts Pvt Ltd	-- (--)	-- (--)	319,193 (--)	319,193 (--)

Nature of Transactions	Key management personnel	Relatives of key management personnel	Enterprise in which key management personnel or their relatives has significant influence	Total
	(Rs)	(Rs)	(Rs)	(Rs)
Interest on loan				
Simin J. Patel	-- (--)	15,500 (18,000)	-- (--)	15,500 (18,000)
Veera J. Patel	-- (--)	5,400 (7,200)	-- (--)	5,400 (7,200)
Director's remuneration				
B. L. Arora	457,824 (588,642)	-- (--)	-- (--)	457,824 (588,642)
Albert Thomas	322,701 (381,206)	-- (--)	-- (--)	322,701 (381,206)
Reimbursement of expenses				
Kaiser- E-Hind Pvt Ltd	-- (--)	-- (--)	161,000 (--)	161,000 (--)
Balances at the period end				
Unsecured Loans				
Jehangir R Patel	-- (3,399,800)	-- (--)	-- (--)	-- (3,399,800)
Simin J Patel	-- (--)	(150,000)	-- (--)	-- (150,000)
Veera J Patel	-- (--)	-- (60,000)	-- (--)	-- (60,000)
Makki R Patel	-- (--)	-- (1,922,000)	-- (--)	-- (1,922,000)
Kaiser-E- Hind Pvt Ltd.	-- (--)	-- (100,000)	-- (--)	-- (100,000)
Kaiser Arts Pvt. Ltd	-- (--)	-- (--)	194,830 (--)	194,830 (--)
Sundry debtors				
Parsiana Publications Pvt Ltd	-- (--)	-- (--)	23,684 (--)	23,684 (--)
Parsiana Media Pvt Ltd.	-- (--)	-- (--)	-- (1,733)	-- (1,733)
Sundry creditors				
Kaiser- E-Hind Pvt Ltd	-- (--)	-- (--)	161,000 (--)	161,000 (--)
Loans given outstanding				
Kaiser Arts Pvt Ltd	-- (--)	-- (--)	-- (319,193)	-- (319,193)

2) Earnings per share (EPS):

	Particulars	Current Period	Previous Year
(i)	Net profit/(loss) after tax , before extraordinary items after adjusting minority interest as per profit and loss account for basic profit /(loss) per share (Rs.)	4,565,936	969,395
(ii)	Net profit/(loss) after tax , before extraordinary items after adjusting minority interest as per profit and loss account for diluted profit/(loss) per share (Rs.)	4,565,936	969,395
(iii)	Extraordinary Items	(4,973,489)	--
(iv)	Net profit/(loss) after tax, extraordinary items and minority interest for basic profit/(loss) per share (i-iii)	(407,553)	969,395
(v)	Net profit/(loss) after tax , extraordinary item and minority interest for diluted profit/(loss) per share (ii-iii)	(407,553)	969,395
(vi)	Weighted average number of equity shares outstanding during the period for basic profit/(loss) per share (No. of shares)	5,051,600	5,051,600
(vii)	Weighted average number of equity shares outstanding during the period for diluted profit /(loss) per share (No. of shares)	5,145,473	5,051,600
(viii)	Basic profit/(loss) per share excluding extra ordinary profit (Rs.)(i/vi)	0.90	0.19
(ix)	Diluted profit/(loss) per share excluding extra ordinary items (Rs.)(ii/vii)	0.89	0.19
(x)	Basic profit/(loss) per share including extra ordinary items (Rs.)(iv/vi)	(0.08)	0.19
(xi)	Diluted profit/(loss) per share including extra ordinary profit (Rs.)(v/vii)	(0.08)	0.19
(xii)	Nominal value of share (Rs.)	10.00	10.00

Note:

As per para 28 of Accounting Standard (AS) – 20 'Earning Per Share', for the purpose of calculation of earning per share, share application money pending for allotment or any advance share application money as at the balance sheet date, which is not statutorily required to be kept separately and is being utilised in the business of the enterprise, is treated in the same manner as dilutive potential equity shares for the purpose of calculation of diluted earning per share.

3) **Deferred tax:**

Major components of deferred tax assets and liabilities as at period end are as under:

	As at 31.03.2011 (Rs.)	As at 30.06.2010 (Rs.)
Deferred Tax Liability		
Depreciation	--	636,500
Total	--	636,500
Deferred Tax Asset		
Depreciation	257,988	--
Provision for gratuity	146,926	134,458
Disallowance u/s. 40(a)(ia) of Income Tax Act, 1961	--	6,180
Disallowance u/s. 43B of Income Tax Act, 1961	2,779	13,090
Unabsorbed losses and depreciation	3,565,605	3,510,214
Total	3,973,298	3,663,942
Deferred tax asset / (liability) (net)	3,973,298	3,027,442

4) **Segment information:**

The Group had three primary business segments which are as follows;

Kaiser Press Limited:

- a) Printing of labels, packaging materials, Magazines and articles of stationery
- b) Textile trading in Fabric (During the year ended 30 June 2010)

PowerTel Engineering Private Limited:

- c) Sale of compounding for heat shrinkable accessories and jointing kits

A) **Information about Primary (Product Wise) Segment:**

(Amount in Rs.)

Sr. No.	Particulars	Printing	Textile	Heat Shrinkable accessories and joining kits	Total
1	Segment revenue				
	Sales	3,111,068 (2,589,803)	-- (4,020,833)	34,577,000 (36,854,795)	37,688,068 (43,465,431)
	Less : Inter segment revenue	1,250 (--)	-- (--)	-- (--)	1,250 (--)
	Net Revenue from Operations	3,109,818 (2,589,803)	-- (4,020,833)	34,577,000 (36,854,795)	37,686,818 (43,465,431)

(Amount in Rs.)

Sr. No.	Particulars	Printing	Textile	Heat Shrinkable accessories and joining kits	Total
2	Result				
	Segment results	808,634 Loss (406,707)	-- (706,669)	1,689,026 (789,527)	2,497,660 (1,089,489)
	Add / (Less) :				
	Inter segment profit				-- (--)
	Net segment result				2,497,660 (1,089,489)
	Unallocated corporate expenses (net of income)				-- (--)
	Operating profit				2,497,660 (1,089,489)
	Less: Interest and finance charges				215,539 (90,674)
	Profit / (Loss) before tax and extra ordinary item				2,282,121 (998,815)
	Less: Extra ordinary items				4,973,489 (--)
	Profit / (Loss) before tax and minority interest				(2,691,368) (998,815)
	Add / (Less) :				
	Provision:				
	Current tax				225,000 (270,000)
	Deferred tax benefit/(expense)(net)				945,856 (662,717)
	Share of profit of associates for the period				1,721,511 (--)
	Profit / (Loss) after tax before minority interest and prior period items				(249,001) (1,391,532)
	Prior period income/(expenses)				(36,057) (--)
	Prior period tax adjustments				(110,508) (1,827,905)
	Profit / (Loss) after tax and before minority interest				(395,566) (3,219,437)
	Minority interest for the period				(158,552) (422,137)
	Profit / (Loss) for the period				(554,118) (2,797,300)

(Amount in Rs.)

Sr. No.	Particulars	Printing	Textile	Heat Shrinkable accessories and joining kits	Total
3	Other information				
	Segment assets	47,580,789 (48,392,400)	-- (14,792)	35,398,054 (26,574,657)	82,978,843 (74,981,849)
	Add: Unallocated common assets				-- (--)
	Total assets				82,978,843 (74,981,849)
	Segment liabilities	1,376,919 (958,380)	-- (186,557)	30,357,682 (21,981,111)	31,734,601 (23,126,048)
	Add: Unallocated common liabilities				-- (--)
	Total liabilities				31,734,601 (23,126,048)
	Capital expenditure during the period	28,594 (--)	-- (--)	1,295,804 (98,020)	1,324,398 (98,020)
	Add : Unallocated capital expenditure				-- (--)
	Total Capital Expenditure during the period				1,324,398 (98,020)
	Depreciation and amortisation	290,296 (285,670)	-- (--)	204,343 (139,710)	494,639 (425,380)
	Add : Unallocated depreciation				--
	Total depreciation and amortisation				494,639 (425,380)
	Non-cash expenditure	290,296 (285,670)	-- (--)	204,343 (139,710)	494,639 (425,380)
	Add : unallocated non cash-expenditure				--
	Total non cash-expenditure				494,639 (425,380)

B) Secondary segment information:

(Amount in Rs.)

Sr. No.	Particulars	Geographical segments		
		Outside India	Within India	Total
1.	Segment revenue			
	Sales	-- (16,975,745)	37,686,818 (26,489,686)	37,686,818 (43,465,431)
2.	Carrying amount of assets by geographical location of assets			
	Segment assets	-- (--)	82,978,843 (74,981,849)	82,978,843 (74,981,849)
3.	Additions to fixed assets Including capital advances	-- (--)	1,324,398 (98,020)	1,324,398 (98,020)

Notes:

- i) Secondary segments identified are as per the requirements of Accounting Standard (AS)-17 'Segment Reporting', taking into account the organization structure as well as the differing risks and returns.
 - ii) The segment revenue and total assets includes the revenue and assets respectively, which are identifiable with each segment and amounts allocated to the segments on a reasonable basis.
 - iii) Figures in bracket are in respect of previous year.
- 5) Extra-ordinary items consists of the following:

Sr. No.	Particulars	Current Period
a)	Loss on impairment of fixed assets (refer note no. 7 below)	(10,312,489)
b)	Compensation received	5,500,000
c)	Legal expenses incurred on above	(161,000)
	Total	(4,973,489)

- 6) During the period, the Company has provided for an impairment loss on fixed assets of Rs. 10,312,489 on the basis of review carried out in accordance with Accounting Standard (AS)- 28 "Impairment of Assets", Impairment loss comprises of unamortised amount of Goodwill of Rs. 8,500,000 and plant and machinery of Rs. 1,812,489.
- 7) Certain items of plant and machinery which are not likely to be used in future, has been identified and transferred from fixed assets to assets held for disposal at book value, which management considers to be a realizable value.
- 8) Sundry debtors include Rs. 23,684 (previous year Rs. Nil) from Parsiana Publications Private Limited, a Company in which director of the Company is director. Maximum balance outstanding during the period Rs. 23,684 (previous year Rs. Nil).
- 9) Advance to body corporate represent Rs. Nil (Previous year Rs. 319,193) to Kaiser Arts Pvt. Ltd., in which director of the Company is a director. Maximum balance Rs. Nil (previous year Rs. 319,193).

- 10) Advances recoverable in cash or in kind of for value to be received includes Rs. 547,899 (previous year Rs. 96,557) being amount paid to supplier against the material, from time to time but no materials were received against that. The management is hopeful of recovery the same / adjusting against supplies.
- 11) The Parent Company is yet to appoint a Company Secretary as required under Section 383A of the Companies Act, 1956, as such the accounts have not been signed by a Company Secretary.
- 12) In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.
- 13) Balances of certain sundry debtors, sundry creditors, loans and advances are subject to confirmations / reconciliation and consequential adjustments, if any. The management does not expect any material difference affecting the current period financial statements on such reconciliation / adjustments.
- 14) a) Previous year figures have been regrouped or rearranged, wherever considered necessary, to conform to the current period presentation.
- b) During the period, the Parent Company has changed its financial period from 30 June to 31 March. As such, the current financial period is of nine months i.e. from 01 July 2010 to 31 March 2011 as compared to previous year twelve months i.e. 01 July 2009 to 30 June 2010 and hence, the current period's figures are not comparable with the figures of the previous year.

Signatures to schedules '1' to '16'

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors

(Ramesh Gupta)
PARTNER
Membership No. 102306

Jehangir. R. Patel-
Chairman and Managing Director

Bhushanlal Arora-
Director

Anagha Korde-
Director

Mumbai; Dated: 29/08/2011

Mumbai; Dated: 29/08/2011

GALA HARIA & ASSOCIATES
CHARTERED ACCOUNTANTS

Rasik T. Gala

B.Com, F.C.A.

Shantilal V. Haria

B.Com, F.C.A., A.C.S.

Taral V. Dedhia

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AUDITORS' REPORT

TO
THE MEMBERS
POWERTEL ENGINEERING PRIVATE LIMITED

1. We have audited the attached Balance Sheet of POWERTEL ENGINEERING PRIVATE LIMITED as at 31st March 2011 and also the Profit & Loss Account for the Nine months ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
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 and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004, (hereinafter referred to as the Order) issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, as amended, we enclose in the Annexure, a statement on the matters specified in the paragraph 4 and 5 of the said order.
4. Further to our comments in Annexure referred to in Paragraph above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief are necessary for the purposes of our audit.
 - (b) In our opinion, the Company has kept proper Books of Accounts as required by law so far, as appears from our examination of the Books of the Company.
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Accounts of the Company.
 - (d) In our opinion, the Profit and Loss Account and Balance Sheet comply with the Accounting Standards referred to in the sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Notes thereon 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 principles generally accepted in India.

- i) In case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011;
- ii) In case of the Profit & Loss Account of the Profit of the Company for the Nine Months ended on that date.

**For GALA HARIA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 123718W**

**TARAL V.DEDHIA
PARTNER
M.NO. 104798**

**PLACE: MUMBAI
DATE : 15th June,2011**

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE
AUDITOR'S REPORT OF EVEN DATE**

- I) a. The Company has maintained proper records showing full particulars including quantitative details & situation of Fixed Assets.
- b. As explained to us, the management has physically verified most of the fixed assets during the period and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- c. There has been no disposal of substantial part of the fixed assets during the period, which may affect the going concern status of the company.
- II) a. The Inventory has been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.
- b. In our opinion 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.
- c. The Company is maintaining proper records of inventory. No material discrepancies were noticed in physical verification between the physical stocks and the book records.
- III) The Company has neither granted/ nor taken loans to/ from parties covered in the register maintained under section 301 of the Companies Act, 1956, accordingly clause 4(iii) of the Order is not applicable to the company.
- IV) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses
- V) In our opinion and according to the explanations given to us, we are of the opinion that there were no transactions during the period that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Therefore other points of this clause are not applicable.
- VI) The company has not accepted any deposit from the public and hence the question of applicability of directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA of the Companies Act, 1956 & the rules framed there under, does not arise.
- VII) In our opinion, based on the information & explanations given to us, during the period the aggregate of paid-up capital and reserves did not exceed Rs. 50 lakhs nor did the average annual turnover of preceding three financial periods exceed Rs. 5 Crores. Hence company is out of purview of applicability of maintenance of Internal Audit System. Hence no reporting on internal control system is required.
- VIII) Maintenance of cost records has not been prescribed by the Central Government.
- IX) a. According to information and explanation given to us & on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, ESIC, Income-Tax, Sales Tax, Custom Duty, Excise Duty, Cess & other statutory material dues have been regularly deposited during the period by the company with the appropriate authorities.
- b. According to information and explanation given to us, no undisputed amount payable in respect of in respect of Provident Fund, ESIC, Income-Tax, Sales Tax, Custom Duty, Excise Duty, Cess & other statutory material dues were in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.

- XII) According to the information & explanations given to us & based on the documents and records produced before us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. As such the question of maintenance of documents and records does not arise.
- XIII) In our opinion the company is not a chit fund, nidhi or mutual benefit fund, society. Therefore the provisions of the clause 4 (xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- XIV) In our opinion the Company is not dealing or trading in shares, securities, debentures and other investments, accordingly the provisions of the clause 4 (xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.
- XV) According to the information and explanations given to us, the company has not given, during the period, any guarantee for loans taken by others from bank or financial institutions. As a result, the question of our commenting whether the terms & conditions are prejudicial to the interest of the Company does not arise.
- XVI) In our opinion, the term loans have been applied for the purpose for which they were raised.
- XVII) According to the information and explanations given to us, the funds raised on short term basis have not been used for long-term investment. No long term funds have been used to finance short term assets.
- XVIII) During the period the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- XIX) During the period the company has not issued any debentures & therefore the question of creating any security in respect thereof does not arise.
- XX) During the period the company has not made any public issue & therefore the question of disclosing the end use of money raised by public issue does not arise.
- XXI) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the period.

**For GALA HARIA & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 123718W**

**TARAL V. DEDHIA
PARTNER
MEMBERSHIP NO. 104798**

PLACE: MUMBAI
DATE: 15th June, 2011

POWERTEL ENGINEERING PRIVATE LIMITED.**BALANCE SHEET AS AT 31ST MARCH 2011**

PARTICULARS	SCH. NO.	AS AT 31-03-2011	AS AT 30-06-2010
<u>SOURCES OF FUNDS:</u>			
Shareholders' Capital			
Share Capital	"1"	100,200	100,200
Reserves & Surplus	"2"	2,564,086	2,240,511
		2,664,286	2,340,711
Borrowed Funds			
Secured Loans	"3"	1,080,549	2,002,452
		1,080,549	2,002,452
Deferred Tax Liability		235,904	169,797
TOTAL		3,980,739	4,512,960
<u>APPLICATION OF FUNDS :</u>			
Fixed Assets	"4"	2,442,129	1,350,668
Investments	"5"	1,000	1,000
Net Current Assets			
Current Assets, Loans & Advances	"6"	33,081,042	26,219,403
Less: Current Liabilities & Provisions	"7"	(31,543,432)	(23,058,111)
Net Current Assets		1,537,609	3,161,292
TOTAL		3,980,739	4,512,960
Notes forming part of the Balance Sheet	"13"		

As Per Our Report of Even Date

For GALA HARIA & ASSOCIATES
CHARTERED ACCOUNTANTS

For POWERTEL ENGINEERING PRIVATE LIMITED.

(TARAL V.DEDHIA)
PARTNER

(ALBERT THOMAS)
(DIRECTOR)

(SWAPAN MUKHERJE)
(DIRECTOR)

MUMBAI, 15th JUNE 2011

MUMBAI, 15th JUNE 2011

POWERTEL ENGINEERING PRIVATE LIMITED.
PROFIT & LOSS ACCOUNT FOR NINE MONTHS ENDED 31ST MARCH, 2011

PARTICULARS	SCH. For Nine Months Ended NO.	31-03-2011	F.Y.E. 30-06-2010
<u>INCOME:</u>			
Sales	"8"	34,577,000	36,854,795
Other Income		1,108,518	627,317
		<u>35,685,518</u>	<u>37,482,112</u>
<u>EXPENDITURE:</u>			
Material Manufacturing & Operating Expenses	"9"	29,455,379	33,318,161
Employees Remuneration & Benefits	"10"	2,364,383	1,962,834
Selling, Distribution & Administrative Expenses	"11"	2,773,637	1,271,881
Interest	"12"	162,586	11,534
Depreciation	"4"	204,343	139,710
		<u>34,960,328</u>	<u>36,704,120</u>
<u>PROFIT/(LOSS) BEFORE TAX</u>		725,190	777,993
Less: Provision For Tax		225,000	270,000
Provision for Tax(Previous Year)		110,508	-
<u>PROFIT/(LOSS) AFTER TAX</u>		389,682	507,993
Deferred Tax (Liability)/Asset		66,107	559
<u>PROFIT/(LOSS) AFTER TAX</u>		323,575	507,434
Balance brought forward from Previous Year		2,240,511	1,733,077
<u>BALANCE CARRIED TO BALANCE SHEET</u>		2,564,086	2,240,511
Earning Per Share (Basic)		32.29	50.64
Notes forming part of the Profit & Loss Account	"13"		

As Per Our Report of Even Date

For GALA HARIA & ASSOCIATES
CHARTERED ACCOUNTANTS

For POWERTEL ENGINEERING PRIVATE LIMITED.

(TARAL V.DEDHIA)
PARTNER

(ALBERT THOMAS)
(DIRECTOR)

(SWAPAN MUKHERJE)
(DIRECTOR)

MUMBAI, 15th JUNE 2011

MUMBAI, 15th JUNE 2011

**POWERTEL ENGINEERING PRIVATE LIMITED.
SCHEDULES FORMING PART OF THE BALANCE SHEET**

PARTICULARS	AS AT 31-03-2011	AS AT 30-06-2010
SCHEDULE "1" : SHARE CAPITAL		
Authorised Capital		
1,00,000 Equity shares of Rs.10/-each	1,000,000	1,000,000
Issued, Subscribed & Paid Up Capital		
10,020 (Previous Year 10,020) Equity shares of Rs. 10/- each fully paid up	100,200	100,200
	100,200	100,200
SCHEDULE "2" : RESERVES & SURPLUS		
Profit & Loss Account	2,564,086	2,240,511
	2,564,086	2,240,511
SCHEDULE "3" : SECURED LOANS		
(a) Cash Credit	181,012	173,244
(b) Export Packing Credit	899,537	898,969
(c) Bill Discounting Facility	-	930,239
(The above loans are secured by way of hypothecation of		
	1,080,549	2,002,452

SCHEDULE - 4 - FORMING PART OF BALANCE SHEET 'As At 31 March 2011

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st July 2010	Additions during the year	Deductions/ Adjustments during the year	As at 31st March 2011	As at 1st July 2010	Depreciation for the year	Depreciation on deductions	As at 31st March 2011	As at 1st July 2010	As at 31st March 2011
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
PLANT & MACHINERY	1,050,000	240,750	-	1,290,750	301,334	38,785	-	340,119	748,666	950,631
COMPUTER INSTALLATION	225,870	983,785	-	1,209,655	138,740	99,082	-	237,822	87,130	971,833
ELECTRICAL INSTALLATIONS	201,318	-	-	201,318	77,555	9,557	-	87,112	123,763	114,206
FURNITURE & FIXTURES	123,992	71,269	-	195,261	41,524	11,777	-	53,301	82,468	141,960
OFFICE EQUIPMENTS	17,288	-	-	17,288	4,968	2,199	-	7,167	12,320	10,121
MOULDS	506,250	-	-	506,250	209,929	42,943	-	252,872	296,321	253,378
TOTAL	2,124,718	1,295,804	-	3,420,522	774,050	204,343	-	978,393	1,350,668	2,442,129
PREVIOUS YEAR	2,026,698	98,020	-	2,026,698	634,340	139,710	-	774,050	1,749,137	1,350,668

SCHEDULE "5" : INVESTMENTS

10 (Previous Year 10) Equity Shares of Rs. 100/- each fully paid up of Lorance Investments and Trading Limited.

	1,000	1,000
	1,000	1,000

SCHEDULE "6" : CURRENT ASSETS, LOANS & ADVANCES

Current Assets

Stock in Trade

(As Valued & Certified by the Management)

Raw Materials	2,199,282	2,514,375
Work - In - Process	190,201	76,290
Finished Goods	493,827	277,075
A	2,883,310	2,867,740

Sundry Debtors (As Per Group 1)

For less than 6 months	2,207,456	-
For more than 6 months - Considered Good	24,578,426	19,717,886
B	26,785,883	19,717,886

Cash & Bank Balance

Cash on Hand	97,840	119,894
(i) With Scheduled Banks on Current Account	624,221	35,906

(ii) Margin Money Deposit

Corporation Bank - FDR	1,906,097	1,800,025
PNB - Margin	109,398	109,398
C	2,737,556	2,065,223

Loans & Advances

(Recoverable in Cash or Kind or For Value Received)

Loans & Advances	64,036	88,000
Deposits	484,140	484,140
Advance Payment of Tax	126,117	996,414
D	674,293	1,568,554

Total (A + B + C + D)

	33,081,042	26,219,403
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SCHEDULE "7" : CURRENT LIABILITIES & PROVISIONS

Current Liabilities

Sundry Creditors for Goods Sundry Creditors for Expenses and Others (As per Group 4)	29,255,867	20,935,240
Others	1,997,164	1,045,871
	31,253,031	21,981,111

Provisions

Provision For Tax	225,000	1,077,000
Provision for Expenses	65,401	-
B	290,401	1,077,000

Total (A + B)

	31,543,432	23,058,111
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POWERTEL ENGINEERING PRIVATE LIMITED.
SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

PARTICULARS	For Nine Months Ended 31-03-2011	F.Y.E. 30-06-2010
SCHEDULE "8" : SALES		
Sales	34,577,000	36,854,795
	34,577,000	36,854,795
SCHEDULE "9" : Material manufacturing & Operating Expenses		
Direct Material		
<u>Raw Material Consumed</u>		
Opening Stock	2,514,375	2,664,809
Add: Purchases	26,083,920	27,954,474
Less: Closing Stock	2,199,282	2,514,375
A	26,399,013	28,104,908
<u>Direct Expenses</u>		
Carriage Inward	373,538	483,549
Insurance Charges	7,271	10,000
Electricity Expenses (Factory)	477,740	191,040
Factory Rent	490,900	211,200
Others	2,037,580	4,670,829
B	3,387,029	5,566,618
<u>Increase/(Decrease) in Stock</u>		
Opening Stock		
A) Stock in Process	76,290	-
B) Finished Goods	277,075	-
	353,365	-
Less : Closing Stock		
A) Stock in Process	190,201	76,290
B) Finished Goods	493,827	277,075
	(330,663)	(353,365)
Total (A + B+C)	29,455,379	33,318,161
SCHEDULE "10" : EMPLOYEES REMUNERATION & BENEFITS		
(1) Salaries, Wages, Bonus & Other Emoluments	2,099,350	1,741,548
(2) Contribution to Provident & Other Funds	145,770	145,981
(3) Staff Welfare Expenses	119,263	75,305
	2,364,383	1,962,834
SCHEDULE "11" : SELLING & DISTRIBUTION EXPENSES		
(1) Rent, Rates & Taxes	180,000	184,500
(2) Travelling & Conveyance	408,737	433,489
(3) Telephone & Telex	45,582	77,048
(4) Material Transportation Charges	141,398	234,613
(5) Professional Fees	1,029,837	194,560
(6) Miscellaneous Expenses	968,083	147,671
	2,773,637	1,271,881
SCHEDULE "12" : FINANCIAL EXPENSES		
Interest Paid	162,586	11,534
	162,586	11,534

POWERTEL ENGINEERING PRIVATE LIMITED
Notes forming part of Accounts for the year ended 30 June 2011

SCHEDULE 13 • NOTES**I. DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES ADOPTED****(a) Basis of Accounting**

The accounts have been prepared on the basis of historical costs and in accordance with applicable accounting standards except where otherwise stated.

(b) Fixed Assets

Fixed Assets are stated at cost less depreciation. The company capitalizes all direct costs relating to the acquisition and installation of fixed assets.

(c) Depreciation

Depreciation is provided using the Straight Line Method, at the rates and in the manner specified in schedule XIV to the Companies Act, 1956 except for Computer Installations which are depreciated @ 33.33%.

Depreciation on the additions during the year is provided on a pro-rata basis from the date of additions.

(d) Investments

Long term Investments are valued at cost.

(e) Inventories

Inventories (other than Stores and Spares) are valued at the lower of cost or estimated net realisable value. Cost of work-n-progress and finished goods includes materials, labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location. Stores and Spares are charged/ written off to the Manufacturing and Operating Expenses in the year of purchase.

(f) Revenue recognition

Sales are recognized, net of return, on dispatch of goods to customers and are reflected in accounts net of Excise Duty, Insurance and Freight charges.

(g) Foreign Currency transactions

All exchange differences arising out of the restatements are dealt with in the Profit & Loss Account

(h) Taxes on Income

Current tax is the tax payable for the year determined as per the provisions of the Income Tax Act, 1961.

Deferred tax for timing differences between the income as per financial statement and income as per Income Tax Act, 1961 is accounted using the tax rates that have been enacted or substantively enacted as of the Balance Sheet date.

(i) Material Events occurring after Balance Sheet date are taken into cognizance.

POWERTEL ENGINEERING PRIVATE LIMITED
Notes forming part of Accounts for the year ended 30 June 2011

SCHEDULE 13 ● NOTES...(contd.)

- (j) Contingent liabilities are not provided for and are disclosed by way of Notes.

II. GENERAL NOTES

1. Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances): Rs.Nil/- (Previous Year Rs.Nil/-).
2. Depreciation is provided using the Straight Line Method, at the rates and in the manner specified in schedule XIV to the Companies Act, 1956 except for Computer Installations which are depreciated @ 33.33%. Depreciation on the additions during the year is provided on a pro-rata basis from the date of additions.
3. The information regarding suppliers holding permanent registration certificate as an ancillary Industrial undertaking or a small scale Industrial undertaking issued by the Directorate of Industries of State or Union territory is not available from relevant parties. In the absence of such information the amount and interest due as per the Interest on delayed payment to small and Ancillary Industries Act 1993 is not ascertainable.
4. Previous year's figures have been re-grouped, wherever necessary, so as to make them comparable.

Signatures to Schedules 1 to 13 forming part of the Balance Sheet and Profit & Loss Account.

ALBERT THOMAS
Director

SWAPAN MUKHERJEE
Director

Mumbai,
15th June 2011

Kaiser Press Limited

Regd. Office – 39 B, KK (Navsari Chambers), A K Nayak Marg, Fort, Mumbai-400001.

Date: - 2nd September, 2011

Dear Shareholder,

The Ministry of Corporate Affairs ("MCA"), Government of India has announced a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) by allowing Companies to send Notices / Documents / Annual Reports and other communication ("Shareholders Documents") to its shareholders through electronic mode to the registered e-mail addresses of shareholders. This initiative will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.

With a view to lending strong support to this environment friendly initiative of the Government of India, we propose to send all Shareholders Documents to be sent to shareholders henceforth to the shareholders in electronic form, to the registered e-mail addresses of shareholders provided by them and made available to us by the Depositories.

In case you desire to have the above Shareholders Documents by e-mail then you are requested to register your email address by sending the form given below duly filled in and signed.

Please note that the Shareholders Documents will also be available on the Company's website www.Kaiserpress.com. for download by the shareholders. The physical copies of the Shareholders Documents will also be available at our Registered Office in Mumbai for inspection during office hours. Please further note that you will be entitled to be furnished free of cost, with a copy of the above Shareholders Documents, upon receipt of a requisition from you, any time, as a member of the Company.

We are sure, that as a responsible citizen you too would like to support this excellent initiative of the Government of India and will co-operate with the Company in implementing the same.

Yours Faithfully,

For Kaiser Press Limited

Jehangir R Patel

Chairman & Managing Director

To
Purva Sharegistry (India) Pvt. Ltd.
Unit : Kaiser Press Limited
No. 9, Shiv Shakti Industrial Estate, Ground Floor,
J. R. Boricha Marg, Lower Parel,
Mumbai – 400 011.

Dear Sir,
Sub: Registration / Updation of Email

In view of the MCA Circulars bearing No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, I/we _____, son/daughter/wife of _____, holding _____ shares of Kaiser Press Limited (the "Company") bearing Folio No. _____ / DP ID _____ Client ID _____, do hereby confirm that I/we wish to receive all future communications / requisite documents of the Company at the following E-mail ID:
E-mail ID: _____

You are requested to please update the same in your Book of Records.

Signature :

Name of Sole / First Holder	Name of Second Holder	Name of Third Holder

Note: The above Form duly filled in and signed by the Member/s may please be sent to the Purva Sharegistry (India) Pvt. Ltd. at the address given in the Form in the following manner:

- i) Go to www.purvashare.com and select Registration of Physical Documents and fill details OR
ii) Send email mentioning details / Scanned copy to busicomp@vsnl.com OR iii) By hand/post/courier

KAISER PRESS LTD

Regd. Office : K.K. Navsari Chambers, 39B, Ground floor, A.K. Nayak Marg, Fort, Mumbai - 400 001.

PROXY FORM

Reg. Folio No. _____ No of Shares held _____

I/We _____

of _____

being a member/members of Kaiser Press Limited hereby appoint _____

_____ of _____

or failing him _____ of _____

as my/our proxy to vote for me/us on my/our behalf at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company to be held on Thursday 1st December 2011 at 11.00 a.m. and any adjournment thereof.

Signed this _____ day of _____ 2011 Signature _____



Note: This form duly stamped, completed and signed and must be deposited at the registered office of the Company, not less than 48 hours before the meeting.

KAISER PRESS LTD

Regd. Office : K.K. Navsari Chambers, 39B, Ground floor, A.K. Nayak Marg, Fort, Mumbai - 400 001.

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting hall)
18th Annual General Meeting December 1st, 2011

I hereby record my presence at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company held at Registered Office at K.K. Navsari Chambers, 39B, Ground floor, A.K. Nayak Marg, Fort, Mumbai - 400 001. on Thursday 1st December 2011 at 11 a.m.

Full Name of Member (IN BLOCK LETTERS) _____

Reg. Folio No. _____ No of Shares held _____

Full Name of Proxy (IN BLOCK LETTERS) _____

Member's Proxy's Signature _____