

KAPIL COTEX LTD
BALANCE SHEET & STATEMENT OF ACCOUNT
FOR THE YEAR ENDEND ON 31ST MARCH 2002



KAPIL COTEX LIMITED

Notice is hereby given that the Eighteenth Annual General Meeting of the members of Kapil Cotex Limited will be held at 354, Kalbadevi Road, II Floor, Kalyan Bhavan, Mumbai - 400 002 on Monday, September 30, 2002 at 11.00 a.m. to transact the following business :

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2002 and the Profit and Loss Account for the year ended on that date and the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Daulal Mohta who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Smt. Indumati Mohta who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 27, 2002 to Monday, September 30, 2002 (both days inclusive).

By order of the Board



Director

CERTIFIED TRUE COPY

For Kapil Cotex Limited.



Director

Registered Office:

354, Kalbadevi Road,
Kaiyan Bhavan, II floor,
Mumbai 400 002

August 31, 2002

KAPIL COTEX LIMITED**Regd. Office: 354, Kalbadivi Road, II floor, Kalyan Bhavan, , Mumbai 400 002****DIRECTORS' REPORT TO THE MEMBERS**

The Directors have pleasure in presenting the Eighteenth Annual Report together with the Statement of Accounts for the year ended March 31, 2002

Financial Results :

	Year 2001- 2002 (Rs. in lakhs)	Year 2000- 2001 (Rs. in lakhs)
Sales & Other Income	<u>39.96</u>	<u>24.54</u>
Profit before Depreciation	1.64	2.58
Provision for Depreciation	0.15	0.24
Profit before Tax	1.49	2.34
Provision for taxation	0.55	0.95
Profit after taxation	0.94	1.39
Balance brought forward from previous year	8.59	7.29
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	9.53	8.68
Income tax adjustment for earlier year	(0.07)	(0.09)
Balance carried to Balance Sheet	<u>9.46</u>	<u>8.59</u>

Dividend :

In order to conserve resources, the directors do not recommend any dividend for the year under report.

Listing:

The Equity Shares of the Company are listed on Mumbai Stock Exchange and the company has paid the Annual Listing Fees to them for the year 2002-2003.

Directors :

Shri Daulal Mohta and Smt. Indumati Mohta, Directors of the company would retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Directors' Responsibility Statement:

As specifically required under the Companies Act, 1956, your Directors state :

- i that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii that such accounting policies have been selected which have been applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company in the Balance Sheet as at the end of the financial year and of the Profit and Loss Account for that period.
- iii that proper and sufficient care 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 fraud and other irregularities have been taken;

Particulars of Employees:

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Particulars under Section 217 (1) (e) of the Companies Act, 1956:

During the year, the Company had strict control on wasteful electrical consumption. Lights and power were switched off whenever not necessary.

The company does not use any technology for its existing business.

Foreign Exchange Earnings : Rs. NIL

Foreign Exchange Outgo : Rs. NIL

Compliance Certificate

A Compliance Certificate from a secretary in whole-time practice under section 383A of the Companies Act, 1956 in respect of the financial year ended on March 31, 2002 is attached hereto.

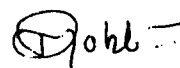
Auditors:

M/s. M.S. Vyas & Associates, Chartered Accountants, the Auditors of the company would retire at the ensuing Annual General Meeting and are eligible for reappointment.

You are requested to appoint Auditors and to fix their remuneration.

FOR AND ON BEHALF OF THE BOARD


Director



Director

Mumbai.
August 31, 2002

CERTIFIED TRUE COPY.



Director

JITIN PAREKH & ASSOCIATES

COMPANY SECRETARIES

Office :
A-60/1220, Azad Nagar,
Veera Desai Road, Andheri (West),
Mumbai - 400 053.
Tel. : 635 8597 Telefax : 635 8598
E-mail : jitin_cs@yahoo.com

Registration No : 11- 31114

Authorised Capital : 25,00,000/-

Compliance Certificate

To,
The Members
KAPIL COTEX LIMITED
354, Kalbadevi Road, Kalyan Bhavan,
IInd Floor, Mumbai 400 002

We have examined the registers, records, books and papers of Kapil Cotex Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2002. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a public limited company has minimum prescribed paid-up capital and further comments relating to Private Limited Company about maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 5 (Five) times on 30.04.2001, 30.07.2001, 01.09.2001, 30.10.2001 and on 30.01.2002 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed.)

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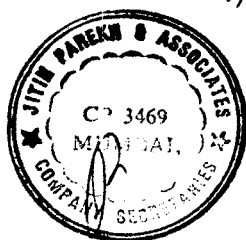
For Kapil Cotex Limited.

(Signature)

Director



5. The Company closed its Register of Members from 26.09.2001 to 29.09.2001 and necessary compliance of Section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on March 31, 2001 was held on 29.09.2001 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in the Section 295 of the Act during the financial year.
9. The Company has duly complied with the provisions of Section 297 of the Act in respect of contracts specified in that Section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or the previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13.
 - i) There was no allotment/transfer/transmission of securities during the financial year.
 - ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year. There were no unpaid dividends in the Company.
 - iv) There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - v) The Company has duly complied with the requirements of section 217 of the Act.



CERTIFIED TRUE COPY

For Kapil Cotel Limited.

Gohb

Director

14. The Board of Directors of the Company is duly constituted. There was no appointment of Directors, Additional Directors, Alternate Directors and Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director /Whole-time Director/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during the financial year ended 31st March, 2002.
25. The Company has not made any loans and investments, or given guarantees or provided securities to other bodies corporate during the financial year and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.

The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.



CERTIFIED TRUE COPY
For Kapil Cotel Limited.

Gohb.
Director

JITIN PAREKH & ASSOCIATES

Continuation Sheet

28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was not required to deduct any contribution towards Provident Fund during the financial year.



For Jitin Parekh & Associates

Place: Mumbai

Signature :

Date : August 31, 2002

Name of Company Secretary : Jitin Parekh

C. P. No. :

3469

CERTIFIED TRUE COPY**For Kapil Cotex Limited.**
Director

JITIN PAREKH & ASSOCIATES

Continuation Sheet

KAPIL COTEX LIMITED

Annexure AStatutory Registers as maintained by the Company

1. Register of Members u/s 150 of the Act and Index of Members u/s 151 of the Act.
2. Minutes Book of Board Meetings u/s 193 of the Act. (In Loose Leaf)
3. Minutes Book of General Meetings u/s 193 of the Act. (In Loose Leaf)
4. Books of Accounts u/s 209 of the Act are being audited by the Statutory Auditors of the Company.
5. Register of Contracts u/s 301 of the Act.
6. Register of disclosure of interest u/s 301 of the Act.
7. Register of particulars of Directors etc. u/s 303 of the Act.
8. Register of Directors' Shareholding u/s 307 of the Act.
9. Register of Loans, Investments u/s 372A of the Act.

Other Registers :

1. Register of Transfers/Transmission
2. Register of Directors' Attendance
3. Register of Shareholders' Attendance



For Jitin Parekh & Associates

Place: Mumbai

Signature :

Date : August 31, 2002

Name of Company Secretary : Jitin Parekh

C. P. No. :

3469

CERTIFIED TRUE COPY

For Kapil Cotex Limited.

Director