



NATIONAL WIND POWER CORPORATION LIMITED

(Formerly NEPC PAPER AND BOARD LIMITED)

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13th

Annual Report

2006-2007

BOARD OF DIRECTORS

Shri Ravi Prakash Khemka
(Chairman)
 Shri Raj Kumar
 Shri Tirupathi Kumar
 Shri K. Narasimhan
 Shri S. Ramaswamy (till 25.10.2006)

AUDITORS

M/s. L.S. Rajaram & Associates
 Chartered Accountants
 D/5/2, Gemini Parsn Apts, 599, Anna Salai,
 Chennai - 600 006.

REGISTERED OFFICE

Vehalna Meerut Road
 Muzaffarnagar, Uttar Pradesh - 251 003.

ADMINISTRATIVE OFFICE

No. 3 Goomes Street,
 Chennai - 600 001

BANKERS

State Bank of Patiala

AUDIT COMMITTEE

Shri. Rajkumar
 Shri. K. Narasimhan
 Shri. S. Ramaswamy

LISTING OF SHARES

The Company's Equity Shares are listed in the
 Stock Exchanges at Kanpur, Chennai and BSE.

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NOTICE TO SHARE HOLDERS

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Company will be held on Friday, the 14th September, 2007 at 10.00 A.M. at the Registered Office of the Company at 6th K.M , Meerut Road, , Muzaffarnagar, Uttar Pradesh - 251 003 to transact the following business

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2007 and the Profit & Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. K Narasimhan, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and for this purpose to consider and, if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT the retiring Auditors M/s.L.S.Rajaram & Associates, Chartered Accountants, Chennai be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration of Rs. 25000.00 (Rupees Twenty Five thousand only) exclusive of fees for taxation matters, certification work & other service charges and out of pocket expenses in connection with Company's Audit”

SPECIAL BUSINESS

4. To consider and if thought fit to pass the following resolution with or without modification as an **ORDINARY RESOLUTION:**

RESOLVED THAT Mr. Rakesh Gupta, in respect of whom the Company had received a notice in writing from a member of the company, to be considered for the post of the directorship of the Company at this annual general meeting of the company along with the deposit of Rs.500/- as required under Section 257 of the Companies Act, 1956 and Mr. Rakesh Gupta being eligible for the said appointment, be and is hereby appointed as a Director liable to retire by rotation.

5. To consider and if thought fit to pass the following resolution with or without modification as an **ORDINARY RESOLUTION:**

RESOLVED THAT Mr. S. Rajendran, in respect of whom the Company had received a notice in writing from a member of the company, to be considered for the post of the directorship of the Company at this annual general meeting of the company along with the deposit of Rs.500/- as required under Section 257 of the Companies Act, 1956 and Mr. S. Rajendran, being eligible for the said appointment, be and is hereby appointed as a Director liable to retire by rotation.

6. To delist Equity shares of the Company from Stock Exchanges other than BSE

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION**

“RESOLVED THAT pursuant to the applicable provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003, (hereinafter referred to as the “Delisting Guidelines”) (including any statutory modifications(s) or re-enactments thereof for the time being in force), Listing Agreement(s) with the Stock Exchanges, and all other applicable laws, rules, regulations, and guidelines, the consent of the Company be and is hereby accorded to the Board of Directors to delist the equity shares of the Company from the Uttar Pradesh Stock Exchange and Madras Stock Exchange”:

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign and submit all applications, forms, papers and other documents and to comply with all other formalities / procedures and to do all such acts, deeds and things as may be required by the above Stock Exchange(s), SEBI, and / or by any other statutory/regulatory authority(ies), in connection with delisting of the equity shares of the Company from the Uttar Pradesh Stock Exchange and Madras Stock Exchange”:

(By Order of the Board)

for **National Wind Power Corporation Limited**

Place : Chennai

Ravi Prakash Khemka

Date : 30-07-2007

Chairman

NOTES

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote at the meeting in his stead and such proxy need not be a Member of the Company. A form of Proxy is enclosed. The instrument of proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 10-09-2007 to 14-09-2007 (both days inclusive)
3. Members are requested to notify immediately any change in their address to the Company.
4. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting.
5. Members are requested to bring their copies of Annual Report to the Meeting.
6. Members are already informed that Securities and Exchange Board of India (SEBI) have made it compulsory for all investors to trade the Company's securities in dematerialised form, effective 26.03.2001. Members are, therefore, requested to avail of dematerialisation facility.
7. Members with identical order of names who are holding in multiple folios are requested to write to the Company to consolidate their holdings into one folio.
8. Members who hold share in the physical form can nominate a person in respect of all the share held by them singly or jointly. Members who holds share in single name are advised, in their own interest, to avail of nomination facility by filling Form 2B. Members who holds share in the dematerialised form may contact their Depository Participant for recording nomination in respect of their shares.

9. At this Annual General-Meeting, Mr.K.Narasimhan, Director retires by rotation and being eligible, offers himself for re-appointment.

The brief background, and the functional expertise of the Director proposed for reappointment is furnished below along with details of Directorships in other Companies.

Mr. K.Narasimhan, aged about 56 years, has been associated with the Company as Director from June 2003. He is well experienced in Business and Commerce.

Details of other Directorships held by him:

Director in the Boards of NEPC India Limited, NEPC Textiles Limited, Skyline NEPC Limited, Sai Televisions Limited and NEPC Agro Foods Limited.

(By Order of the Board)
for National Wind Power Corporation Limited

Place : Chennai

Ravi Prakash Khemka

Date : 30-07-2007

Chairman

Explanatory Statement under Section 173(2) of the Companies Act, 1956

Item No. 4

The Company has received notice from a member of the company proposing the name of Mr. Rakesh Gupta to be considered for the post of the directorship of the company (as Independent Director of the Company) along with a deposit of Rs.500/- as required under Section 257 of the Companies Act, 1956. Further Mr. Rakesh Gupta is eligible for the appointment of the post of the directorship of the company and he has given his consent for the appointment of the directorship of the company if appointed by the company. Hence the resolution is placed before the members for their approval and adoption. The letter received from the member of the company under Section 257 of the Companies Act, 1956 is available for inspection of the members of the company at the registered office of the company on all working days and hours upto the date of the conclusion of this annual general meeting of the company.

The brief background, and the functional expertise of the Director proposed for appointment is furnished below along with details of directorships of other Companies/Committees.

Name	: Mr. Rakesh Gupta
Age	: 34 years
Qualification	: Master of Business Administration (M.B.A.)
Expertise and experience	: 12 years of experience in different organisations in Sales & Marketing, Administration, Finance, Commerce and Liaisoning
Name of Companies in which Directorship held	: NEPC India Limited
No. of Committees (of other companies) in which member	: Nil
Shareholding	: Nil

None of the Directors of your company is in any way concerned or interested in the proposed resolution.

Item No. 5

The Company has received notice from a member of the company proposing the name of Mr. S. Rajendran to be considered for the post of the directorship of the company (as Independent Director of the Company) along with a deposit of Rs.500/- as required under Section 257 of the Companies Act, 1956. Further Mr. S. Rajendran is eligible for the appointment of the post of the directorship of the company and he has given his consent for the appointment of the directorship of the company if appointed by the company. Hence the resolution is placed before the members for their approval and adoption. The letter received from the member of the company under Section 257 of the Companies Act, 1956 is available for inspection of the members of the company at the registered office of the company on all working days and hours upto the date of the conclusion of this annual general meeting of the company.

The brief background, and the functional expertise of the Director proposed for appointment is furnished below along with details of directorships of other Companies/Committees.

Name	: Mr. S. Rajendran
Age	: 70 years
Qualification	: Master of Science (M.Sc.)
Expertise and experience	: 30 years of experience in International Trade, Commerce, Finance and Administrative areas
Name of Companies in which Directorship held	: NEPC India Limited
No. of Committees (of other companies) in which member	: Nil
Shareholding	: Nil

None of the Directors of your company is in any way concerned or interested in the proposed resolution.

Item No. 6 : To delist Equity shares of the Company from Stock Exchanges other than BSE

With the extensive networking of Bombay Stock Exchange Limited, Mumbai (BSE) and the extension of the BSE terminals to other cities as well, investors have access to online dealings in the Company's equity shares across the country. Earlier the trading in the Company's equity shares took place on the BSE. However, the depth and liquidity of trading in the Company's equity shares on the other Stock Exchanges (viz. on the Uttar Pradesh Stock Exchange, Madras Stock Exchange, were either nil or insignificant. It is, therefore, proposed to get the shares delisted from the Stock Exchanges other than BSE. The Company has no intention to give an exit option to the shareholders of the regions where the stock exchanges are situated from which delisting is sought due to availability of extensive networking of BSE terminals across the country.

Your Directors, therefore, commend the Special Resolution for approval of members.

None of the Directors of your Company is, in any way, concerned or interested in the proposed resolution.

(By Order of the Board)
for National Wind Power Corporation Limited

Place : Chennai
Date : 30-07-2007

Ravi Prakash Khemka
Chairman

DIRECTORS' REPORT

To the Members of **National Wind Power Corporation Limited.**

Your Directors have pleasure in presenting the Thirteenth Annual Report with Audited Accounts of your Company for the period ended 31st March, 2007.

FINANCIAL HIGHLIGHTS:

Particulars	Rs. in lakhs	
	31.03.2007	31.3.2006
Income from operation	-	-
Other Income	-	-
Operating Expenses	10.64	7.61
Depreciation	-	41.21
Profit / (Loss) before Tax	(17.09)	(77.46)
Provision for taxation	-	-
Deferred Tax Liability	-	13.23
Profit / (Loss) after Tax	(17.09)	(64.23)
Balance brought forward from previous year	(1287.82)	(1223.59)
Transfer from General Reserve	-	-
Profit / (Loss) carried forward to Balance Sheet	(1304.91)	(1287.81)

OPERATIONS/PERFORMANCE :

As the company could not generate any income from operation during the year under review the revenue during the year is nil. The Company continues to explore possibilities of business relating to Wind Power in line with the present main objects of the Company.

DIVIDEND :

The Directors do not recommend Dividend for the period ended 31st March 2007, in view of the loss incurred by the Company.

DIRECTORATE :

Mr. K.Narasimhan retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment to the Board. Mr. S. Ramaswamy has resigned from the Board during the current year. Further, at the ensuing annual general meeting of the company, the Company has received notices from two members of the company as required under section 257 of the Companies Act, 1956 proposing the names of Mr. Rakesh Gupta and Mr. S. Rajendran, to be considered for the post of the directorship of the company and necessary resolutions are placed before the members for their consideration.

DELISTING OF EQUITY SHARES OF THE COMPANY FROM STOCK EXCHANGES OTHER THAN BSE / NSE

The Company proposes to delist the equity shares of the company, from the stock exchanges other than Bombay Stock Exchange Limited, Mumbai (BSE). The members are aware that with the extension of the BSE terminals to other cities as well, investors have access to online dealings in the Company's equity shares across the country. Earlier the trading in the Company's equity shares took place on the NSE. However, the depth and liquidity of trading in the Company's equity shares on the other Stock Exchanges (viz. on the Uttar Pradesh and Madras Stock Exchanges), were either nil or insignificant. It is, therefore, proposed to get the shares delisted from the Stock Exchanges other than NSE. The Company has no intention to give an exit option to the shareholders of the regions where the stock exchanges are situated from which delisting is sought due to availability of extensive networking of BSE/NSE terminals across the country.

PARTICULARS OF EMPLOYEES :

No employee of the Company was paid remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the relevant rules as amended.

AUDITORS :

M/s.L.S.Rajaram & Associates., Chartered Accountants, Auditors of the Company retire at the conclusion of the Annual General Meeting. However, they are eligible for re-appointment and have given their consent to act as the auditors of your Company, if appointed.

REMARKS ON AUDITOR'S QUALIFICATIONS

With regard to para 4(g)(i) of Auditor's report and note no. II-2 in Schedule II, the Company has counter claim on creditors as well as additional claims reliable due to delay in payments etc., and such claims are being progressed for reconciliation. Hence, the confirmation of balances have not been obtained. However, it may be noted that after due reconciliation is over, the assets and liabilities of your Company will not have any material change on the financials of your Company.

With regard to para 4(g)(ii) of Auditor's report and note no. II-4 in Schedule II, regarding projects in progress, the Company could not complete the same due to technical reasons and consequent to change of main objects.

With regard to para 4(g)(iii) of Auditor's report and note no. II-5 in Schedule II, regarding non-provision of doubtful Sundry Debtors and Loans & Advances, the management is hopeful of their recovery.

The Audit Committee of the Board reviews the quarterly and annual financial statements before submission to the Board, the internal audit function, internal controls and other related matters. The Company will be putting in place a formal internal Audit system commensurate with its proposed business on commencement of transactions.

DIRECTOR'S RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956, the Directors confirm that :

- in the preparation of annual accounts the applicable Accounting Standards have been followed
- the Accounting Policies selected and applied on a consistent basis, give a true and fair view of the affairs of the Company and of the loss for the financial year;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the aforesaid Act for safeguarding the assets of the company; and for prevention and detection of fraud and other irregularities;
- the Annual Accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A detailed report on this subject forms part of this Report.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits as defined under section 58A/58AA of the Companies Act, 1956, from the public during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company did not operate during the year, the conservation of energy, technology absorption and foreign exchange earnings & outgo had been nil.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation that they have received during the year from all concerned, including its Employees.

For and on behalf of the Board of
National Wind Power Corporation Limited

Ravi Prakash Khemka
Chairman

Place : Chennai
Date : 30-07-2007

**ANNEXURE TO THE DIRECTORS REPORT
FORM - A**

(Rule 2)

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO
CONSERVATION OF ENERGY**

A. Power and Fuel Consumption	31.03.2007	31.3.2006
1. Electricity		
(a) Purchased Unit (Nos)	Nil	Nil
Total Amount (Rs.)	Nil	Nil
Rate / Unit (Rs.)	Nil	Nil
(b) Own Generation		
(i) Through Diesel Generator unit (nos)	Nil	Nil
Units per Ltr. of diesel Oil (Nos)	Nil	Nil
Cost/Unit (Rs.)	Nil	Nil
(ii) Through Wind Turbine/Generator		
Units (Nos)	Nil	Nil
Cost/Unit (Rs.)	Nil	Nil
Amount (Rs.)	Nil	Nil
2. Coal (Specify quality and where used)		
Quantity (tonnes)	Nil	Nil
Total Cost (Rs. in thousands)		
Average rate		
3. Furnance Oil		
Quantity (K. ltrs)		
Total Cost	Nil	Nil
Average rate		
4. Others/internal generation		
(Please give details)		
Quantity	Nil	Nil
Total Cost		
B. Consumption per unit of production		
Products (with details) Unit		
Electricity		
Furnace Oil		
Coal (Specify Quality)		
Others (Specify)	Nil	Nil