

BOOK - POST



NEPC TEXTILES LIMITED

To

18th ANNUAL REPORT 2010-2011

If undelivered, please return to :
NEPC Textiles Limited
36, Wallajah Road
Chennai - 600 002

BOARD OF DIRECTORS

Shri Ravi Prakash Khemka (*Chairman*)
 Shri Raj Kumar
 Shri Tirupathi Kumar
 Shri Rakesh Gupta
 Shri S. Rajendran

COMPANY SECRETARY

Mr. N.Padmanabhan

AUDITORS

Mr. A.Nageswaran
 Pappammal Illam
 No. 7, Bharat Road, Ram Nagar,
 Coimbatore - 641 009

**REGISTERED OFFICE
& FACTORY**

SF 256, Kannampalayam Village
 Palladam Taluk, Coimbatore 641402

CORPORATE OFFICE

36, Wallajah Road, Chennai - 600 002
 Tamilnadu

BANKERS

IDBI Bank Ltd.
 ICICI Bank Ltd.

AUDIT COMMITTEE

Shri Tirupathi kumar
 Shri Rakesh Gupta
 Shri S.Rajendran

CONTENTS

Notice	02
Directors' Report	04
Report on Corporate Governance	09
Management Dis. & Analysis Report...	14
Auditors' Report	17
Balance Sheet	22
Profit & Loss Account	23
Schedules to Account	24
Balance Sheet Abstract	32
Cash Flow	33
Proxy Form / Attendance Sheet.....	34

**CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER 2011
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

₹ in Lakhs

Particulars	For the year ended 30-09-2011	For the year ended 30-09-2010
A. Cash Flow from Operating Activities		
Net profit before tax & Extra ordinary items	-	6.32
Adjustment for		
Depreciation net	-	-
Deferred Revenue Expenditure	-	-
Operating Profit before Working Capital Changes		6.32
Adjustment for		
Trade and Other Receivables	-	-
Inventories	-	-
Trade Payables & Other Liabilities	(6.32)	(6.32)
Cash Generated from Operations		
Net Cash from Operating Activities (A)	-	-
B. Cash Flow From Investing Activities		
Net Purchase of Fixed Assets	-	-
Purchase of Investments	-	-
Net Cash from Investing Activities (B)	-	-
C. Cash Flow from Financing Activities		
Secured Loan	-	-
Unsecured Loans	-	-
Net Cash from Finance Activities (C)		-
Net increase/Decrease in Cash and Cash Equivalents (A+B+C)		(0.00)
Cash & Cash Equivalents as on 01.10.10 (Opening Balance)		0.28
Cash & Cash Equivalents as on 30.09.11 (Closing Balance)		0.28

For & on behalf of the Board
Ravi Prakash Khemka **Raj Kumar Tirupathi Kumar**
Chairman sd/- sd/-
Director Director
Sd/-
N. Padmanabhan

Company Secretary
28th October, 2011

REPORT OF AUDITORS ON CASH FLOW STATEMENT

We have examined the above cash flow statement of **NEPC TEXTILES LIMITED** for the year ended 30.09.2011. The Statement has been prepared in accordance with the requirements of listing agreement with Stock Exchange and is based on and derived from the audited accounts of the Company for the year ended 30th September 2011.

For **A. Nageswaran**
Chartered Accountant
Sd/-

Membership No: 200/23911
Place : Coimbatore
28th October, 2011

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of the Company will be held on Friday, the 30th day of December 2011 at 10.00 A.M. at 1678, Trichy Road, Ramanathapuram, Coimbatore – 641 045 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 30th September, 2011 and the Profit and Loss Account for the year ended on that date and Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Raj kumar, who retires by rotation and being eligible, offers himself to re-appointment.
3. To appoint a Director in the place of Mr. Tirupathi Kumar, who retires by rotation and being eligible, offers himself to re-appointment.
4. 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 Mr. A. Nageswaran., Chartered Accountant, Coimbatore 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 that may be fixed by the Board of Directors.”

(By Order of the Board)
For **NEPC Textiles Limited**
Sd/-

Place : Chennai
Date : 28-10-2011

Ravi Prakash Khemka
Chairman

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote in his stead and the proxy need not be a member of the Company. 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 the Share Transfer Books of the Company will remain closed from 26.12.2011 to 30.12.2011 (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 dematerialisation form, effective 27-11-2000. 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 hold 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. Rajkumar and Mr. Tirupathi Kumar, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment to the Board.

The brief background, and the functional expertise of the Directors proposed for reappointment is furnished below along with details of companies in which he is a Director.

Mr. Rajkumar, aged about 46 years, has been associated with the Company as Director since 1993. He is well experienced in Business and Commerce. Details of other Directorships held by him:-

Director in the Boards of NEPC India Limited, NEPC Agro Foods Limited, National Wind Power Corporation Limited, Skyline NEPC Limited and Sai Televisions Limited.
10. Mr. Tirupathi Kumar, aged about 43 years, has been associated with the Company as Director since 1994. He is well experienced in Business and Commerce. Details of other Directorships held by him:-

Director in the Boards of NEPC India Limited, NEPC Agro Foods Limited, National Wind Power Corporation Limited, Skyline NEPC Limited and Sai Televisions Limited.

(By Order of the Board)
For **NEPC Textiles Limited**

Sd/-

Ravi Prakash Khemka
Chairman

Place : Chennai
Date : 28-10-2011

20. Balance Sheet abstract and Company's General Business Profile
i) Registration Details

Registration No.	08610
State Code	181
Balance Sheet Date	30th September, 2011

ii) Capital raised during the year

Public Issue	Nil
Right Issue	Nil
Bonus Issue	Nil
Preferential Allotment	Nil

iii) Position of mobilisation & deployment of funds (₹ in lacs)
Sources of Funds

Paid Up Capital	1493.90
Reserves & Surplus	0.00
Secured Loans	0.00
Unsecured Loans	155.84

Application of Funds

Net Fixed Assets	1001.25
Investments	0.00
Net Current Assets	212.39
Miscellaneous Expenditure	0.00
Profit & Loss Account	(436.10)

iv) Performance of the company (₹ in lacs)

Turnover	0.00
Total Expenditure	6.32
Profit / (Loss) before Tax	(6.32)
Profit / (Loss) after Tax	(6.32)
Earning per Share	(0.04)
Dividend Rate	NIL

v) Generic names of the principal services of the company

Item Code No. (ITC Code)	520513
Product Description	Cotton Yarn

For & on behalf of the Board

sd/-

sd/-

sd/-

For **A. Nageswaran**
Chartered Accountant
Sd/-

Ravi Prakash Khemka **Raj Kumar Tirupathi Kumar**
Chairman Director Director
Sd/-
N. Padmanabhan
Company Secretary

Membership No:200/23911
28th October, 2011
Coimbatore

28th October, 2011

17. Production and Sales of Finished Goods (Cotton Yarn) (₹/Kgs .in lakhs)

Particulars	Production & Sales Value			2009-10 Rs.
	2010-11 Kg.	2010-11 Rs.	2009-10 Kg.	
Opening Stock	0.28	35.15	0.28	35.15
Production	0.00	0.00	0.00	0.00
Sales	0.00	0.00	0.00	0.00
Closing Stock	0.28	35.15	0.28	35.15

18. Raw material consumed

(₹ in lakhs)

Particulars	2010-11 Kgs.	2010-11 Rs.	2009-10 Kgs.	2009-10 Rs.
Cotton	0.00	0.00	0.00	0.00

19. Value of imported / indigenous material / components consumed

Raw materials	2010-11 (12 months)	2010-11 (12 months)	2009-10 (12 months)	2009-10 (12 months)
Imported	As %	Rs.	As %	Rs.
Indigenous	Nil	Nil	Nil	Nil
	100.00	100.00	100.00	100.00

20. Value of imported / indigenous materials / components consumed (₹ in lakhs)

Particulars	2010-11 (12 months)	2010-11 (12 months)	2009-10 (12 months)	2009-10 (12 months)
	As%	Rs.	As%	Rs.
Raw Materials & consumables	NIL	NIL	NIL	NIL
Capital Goods	NIL	NIL	NIL	NIL
Consultancy, Foreign Tour & Other	NIL	NIL	NIL	NIL

DIRECTORS' REPORT

To the Members of **NEPC TEXTILES LIMITED**

Your Directors have pleasure in presenting the Eighteenth Annual Report and Audited Accounts of your Company for the year ended 30th September, 2011. The accounts for the year under review have been prepared for twelve months from 1st October, 2010 to 30th September, 2011

FINANCIAL HIGHLIGHTS

The Financial Results of the Company during the year under review are as follows:-

(₹ in lakhs)

Particulars	Year ended (12 months) 30-09-2011	Year ended (12 months) 30-09-2010
Gross Income	-	-
Profit/ (Loss) before Depreciation	(6.32)	6.80
Depreciation	-	144.86
Profit / (Loss) after Depreciation	(6.32)	(138.06)
Provision for taxation	-	-
Profit / (Loss) after taxation	(6.32)	(138.06)
Balance Profit / (Loss) Account B/F	(429.78)	(291.71)
Add: Transfer from Dividend Payable A/c	-	-
Add:- B/F of balance General Reserve	-	-
TOTAL	(436.10)	(429.78)
Appropriations:		
General Reserve	-	-
Capital Work in Progress written off	-	-
Balance Profit / (Loss) carried to Balance Sheet	(436.10)	(429.78)

OPERATING RESULTS

Due to unfavourable market trends and various other factors, the operating performance of the Company was severely affected during the year under review and hence the Company could not generate any income during the year. It is hoped that the Company will be able to regain operating performance in the coming years.

DIVIDEND

The Directors do not recommend dividend for the year ended 30th September 2011, in view of the losses incurred by the Company.

DIRECTORATE

Mr. Rajkumar and Mr. Tirupathi Kumar retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS

Mr. A. Nageswaran, Chartered Accountant, Coimbatore, retire at the conclusion of the forthcoming 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. The Auditor committee and the Board recommends the re-appointment of M/s. A. Nageswaran, Chartered Accountants, as the Auditor of the Company.