

CORPORATE GOVERNANCE:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Evergreen Textiles Limited aims at ensuring high ethical standards in all areas of its business operations to enhance its stake holder's value.

In accordance with Clause 49 of the Listing agreement with the Stock Exchanges, the details of governance including compliances by Evergreen Textiles Limited with the provisions of Clause 49 are as under:

1. BOARD OF DIRECTORS:

The Company presently has Three Directors. All three Directors are Independent Non Executive Directors and are professionals with expertise and experience in general corporate management, finance and other allied fields.

As per clause 49 of the Listing Agreement, if the Chairman is the Non Executive at least one third of the board should consist of Independent and Non Executive Directors. In case of Evergreen Textiles Limited, all Directors are Independent and Non Executive Directors which is very much in Compliance of the Listing Agreement.

Composition of the Board of Directors has a healthy mix of Non Executive & Independent Directors & ensures the desired level of independence and functioning & decision making.

The details of composition of the Board, category, number of other Directorships and other Committee Memberships are as follows:

Code of conduct:

The Company has already implemented a Code of Conduct for all Board Members and Senior Managements of the company in compliance with Clause 49(1) of the Listing Agreement. As the operations of the Company were not much, the application of the code of conduct was limited to that extent.

The details of composition of the Board, Category, attendance of directors at board meetings and last Annual General Meeting, number of other directorships and other committee memberships are given below:

Name of Director	Designation	Category	No. of Board Meeting attended	Attended last AGM	No. of Other Directorships Held		Outside Committee Position held	
					Public	Private	Mem.	Chmn
Mr. M. D. Shanbhag	Director	INE	5	YES	4	1	--	--
Mr. Rajendra Bolya	Director	INE	5	YES	2	6	--	--
Mr. Sitaram Verma	Director	INE	5	YES	1	1	--	--

INE stands for Independent and Non Executive.

During the financial year ended March 31, 2011, 5 (five) Board meetings were held on 26/4/2010, 19/7/2010, 20/8/2010, 25/10/2010 and 29/1/2011.

Detailed Agenda is circulated/ sent to the members of the Board in advance The Board discuss/ deliberate and decides on all the topics/ matters including those suggested in the Listing Agreement, as and when the requirement arises.

Risk Mitigation Plan: The Company has already adopted a risk mitigation plan, suitable to the Company. During the year there were no activities that required the assessment of risk.

2. AUDIT COMMITTEE:

The total strength of the Audit Committee is three. The said committee was constituted to exercise powers and discharge function as stipulated in Clause 49 of the Listing Agreement, and other relevant statutory and regulatory provisions. The Chairman of the audit committee is an independent/non executive director, and of the other two members are also non-executive / independent directors.

During the relevant financial year, five Audit Committee Meetings were held on 26/4/2010, 19/7/2010, 20/8/2010, 25/10/2010 and 29/1/2011.

The constitution of the Committee as on 31st March, 2011 and the attendance of each member of the Committee is given below

Name of the Members	Status	No. of Meetings attended
Mr. Rajendra Bolya	Chairman	5
Mr. M. D. Shanbhag	Member	5
Mr. Sitaram Verma	Member	5

3. SHARE HOLDERS GRIEVANCE/ SHARE TRANSFER COMMITTEE:

Share Holder's Grievance Committee

The total strength of the Committee is three. The said committee was constituted to exercise powers and discharge function related to Shareholders grievances and related matters. The Chairman of the audit committee is an independent/non executive director, and of the other two members are also non-executive / independent directors.

During the relevant financial year, five Committee Meetings were held on 26/4/2010, 19/7/2010, 20/8/2010, 25/10/2010 and 29/1/2011.

The Company did not receive any Complaint from Shareholders during the year.

The constitution of the Committee as on today is as under:

Name of the Members	Status	No. of Meetings attended
Mr. Rajendra Bolya	Chairman	4
Mr. Sitaram Verma	Member	4
Mr. M. D. Shanbhag	Member	4

Mr. Rajendra Bolya - Director is the Compliance Officer.

4. REMUNERATION COMMITTEE

The Directors have decided that till the financial crisis is sorted / solved, they will not draw any remuneration from the Company. So remuneration committee was not set up during the year under review.

5. OTHER DETAILS/INFORMATIONS

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2010	29.09.2010	4:00 P.M.	Registered Office
31.03.2009	29.09.2009	4:00 P.M.	Registered Office
31.03.2008	26.09.2008	4:00 P.M.	Registered Office

The Company has neither used Postal Ballot nor passed any special resolutions during these years, and there was no Extra Ordinary General Meetings of the members of the Company during the relevant period.

- **Means of communication:**

The Company inform the quarterly / half yearly / annual results to the Stock Exchanges.

The management Discussion and Analysis is a part of the Annual Report.

- **Compliance of Insider Trading Norms:**

Company has adopted the code of internal procedures and thus complies with the insider trading norms.

CEO / CFO CERTIFICATION:

As required under Clause 49 of the Listing Agreement a Certificate duly signed by Mr. Rajendra M. Bolya, Director has been obtained. The certificate is annexed to this report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained a certificate from Practising Company Secretary regarding compliance with the provisions relating to the corporate governance laid down in clause 49 of the listing agreement with the Stock Exchanges. This certificate is annexed to the report.

- **GENERAL SHAREHOLDER'S INFORMATION**

Annual General Meeting	:	24th Annual General Meeting.
DAY & DATE	:	Thursday, September 29, 2011.
TIME	:	4:00 P.M.
VENUE	:	Registered Office.

Date of Book Closure: 27/09/2011 TO 29/09/2011 [Both days inclusive].

Listing:

The Stock Exchange, Mumbai
The Stock Exchange, Ahmedabad
The Stock Exchange, Kolkata
The Stock Exchange, Delhi

Listing Fee for Bombay Stock Exchange has been paid.

Share price movements:

There was no trading of the scripts at the Stock Exchange(s) during the year. The data regarding the price movements are not available, and the management is unable to provide the statement showing the monthly high and low price of the script of the Company as required in the Listing Agreement.

Distribution Of Shareholding As On 30th June, 2011:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 5000	3574	5678650	11.83
5001-10000	95	758000	1.58
10001-20000	29	399000	.83
20001-30000	5	128050	.27
30001-40000	-	-	-
40001-50000	5	242970	.51
50001-100000	3	286350	.60
100001 & above	24	40506980	84.39
Total	3736	4800000	100

Shareholding Pattern As On 30th June, 2011:

Category	No. of shares held	% of shareholding
Promoters & Promoter Group	3550780	73.97
Mutual Funds /UTI	100	.002
Financial Institutions / Banks	47100	.981
Central / State Government	150300	3.131
Bodies Corporate	243600	5.08
Indian Public	766670	15.973
NRI / OCBs	41450	.864
Total	4800000	100

None of the Independent Directors hold shares in the Company.

Additional information:

a) Director retiring by rotation / reappointment:

b) The Company is in the processes of getting its shares dematerialized, therefore ISIN No. is not available.

c) Share Transfer System:

Share transfer requests are received at the registered office of the company as well as directly at RTA's office. RTA does the verification and processing of documents. In order to comply with the requirements of SEBI's circular Nos. SMD/POLICY/CIR-10/02 dated May 7, 2002 to effect transfer of shares within one month, the RTA has been authorised to process, approve and effect transfer of shares on behalf of the company at fortnightly intervals. The share certificates duly endorsed for transfer are returned to shareholders within stipulated time of 30 days.

The turnaround time for completion of transfer of shares in physical mode is generally 15 days, if the documents are clear in all respects.

d) The Company has not proposed / declared any dividend during the year.

e) Financial reporting for 2011-2012

- * Financial reporting for the quarter ended June 30, 2011 : Mid of Aug, 2011
- * Financial reporting for the quarter ended Sept.30, 2011 : Mid of Nov., 2011
- * Financial reporting for the quarter ended Dec. 31, 2011 : Mid of Feb., 2012
- * Financial reporting for the year ended March 31, 2012 : Mid of May., 2012
- * Annual General Meeting for the year ended March 31, 2012: End of Sep. 2012

f) Plant Locations:

Plot No.B-5,
MIDC,
Mahad,
Dist.Raigarh (M.S)

g) Address for correspondence

Regd Office: **Evergreen Textiles Limited**
Podar Chambers,
109, S.A.Brelvi Road,
Fort, Mumbai-400 001.
Tel: 2266 4070 Fax: 2266 3845
E-mail id of the Company: - rmb@podarenterprise.com
E-mail id of the Compliance officer: - rmb@podarenterprise.com

Share Transfer Agents:
M/S SHAREX (INDIA) PRIVATE LTD.
(Unit Evergreen Textiles Limited)
Unit 1,Luthra Ind. Premises, Safed Pool,
Andheri Kurla Road, Andheri (East)
Mumbai – 400 072.
Tel. No.022 2851 5606/2851 5644
Email id - sharexindia@vsnl.com

Stock Code Of The Company:
The Stock Exchange, Mumbai
Scrip Name : Evergreen Textiles Limited

Scrip Code : 514060
Electronic Mode : N.A.

h) Dematerialization of shares & liquidity: The shares are in physical mode, as given below:

Sr.	Particulars	No. of share holders	No. of shares	Percentage
1	Physical Shares	3736	4800000	100
2	Electronic Shares	-	-	-
	Total	3736	4800000	100

DISCLOSURES:

1. There were no transactions of material nature other than reported under "Related Party Disclosures" that have been entered into by the company with the promoters, directors, their relatives and the management and in any company in which they are interested, that may have potential conflict with the interest of the company.
2. Details on the use of proceeds from public issues, right issues, preferential issues etc. NIL

Details of non-compliances, penalties etc. imposed on the Company by SEBI or Stock Exchange or any other statutory authority on any matter related to capital market, during the last three years:

The Company has not complied in strict sense with the requirements of the Stock Exchange, SEBI, and other Statutory Authorities on all matters relating to Capital Markets during the last three years.

COMPLIANCES:

A certificate has been obtained from Practising Company Secretary regarding compliance of conditions of Corporate Governance and is attached to this report.

By Order of the Board,
FOR EVERGREEN TEXTILES LIMITED

(RAJENDRA M.BOLYA)
DIRECTOR

Regd. Office

Podar Chambers,
109, S.A.Brelvi Road,
Fort, Mumbai 400 001.
Date: 22nd August, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

As of now the Company is not engaged in any activity and the management is looking for a right opportunity to make the Company operational.

OVERALL REVIEW

Due to scarcity of working capital fund, the Company is not able to do any business. To make the Company operational, the board is making its best effort to implement the cost reduction measures, to the extent feasible. Several cost cutting measures have already been undertaken by the Company.

RISK AND CONCERNS:

The Company's future development will depends on when the Company becomes operational.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:

The Company is following a proper and adequate system of internal controls in respect of all its activities. Further all transaction entered into by the company are fully authorised, recorded and reported correctly.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year under review, the Company did not carry out any activity.