

BOARD OF DIRECTORS:

MR. MANJUNATH D.SHANBHAG CHAIRMAN
MR. RAJENDRA M.BOLYA
MR. SITARAM VERMA

AUDITORS

M/S. S.K.BHAGERIA & ASSOCIATES, Chartered Accountants.

SOLICITORS:

M/S. KANGA & CO., Advocates, Solicitors & Notary.

BANKERS:

CANARA BANK
BANK OF BARODA

REGISTERED OFFICE;

PODAR CHAMBERS,
109, S.A.BRELVI ROAD,
FORT, MUMBAI 400001.

WORKS:

PLOT NO.B-5 & B-6,
MIDC INDUSTRIAL AREA,
MAHAD, DIST. RAIGAD(MAHARAHSTRA)

REGISTRARS & SHARE TRANSFER AGENTS:

M/S. SHAREX DYNAMIC (INDIA) PRIVATE LTD.,
UNIT 1, LUTHRA IND. PREMISES, SAFED POOL,
ANDHERI KURLA ROAD, ANDHERI (EAST)
MUMBAI 400 072.

ANNUAL GENERAL MEETING:

THURSDAY, 29 TH SEPTEMBER,2011 AT 4.00 P.M. AT
PODAR CHAMBERS, 4TH FLOOR, 109,S.A.BRELVI ROAD,
FORT, MUMBAI 400001.

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 24th Annual General Meeting of the members of EVERGREEN TEXTILES LIMITED will be held at the Registered Office of the Company at Podar Chambers, 4th floor, 109, S. A. Brelvi Road, Fort, Mumbai 400 001 on Thursday, 29th September, 2011 at 4.00 p.m. to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2011 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. M.D.Shanbhag, who retires from office by rotation, and being eligible offers himself for re-appointment.
3. To appoint Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

NOTES:

1. **A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a member of the company. The Instrument appointing a Proxy should however be deposited at the Registered Office of the Company duly completed not less than forty-eight hours before the commencement of the meeting.**
2. The Register of Members and the Share Transfer Books of the company will remain closed from 27/09/2011 to 29/09/2011 (both days inclusive).
3. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
4. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
5. The shares of the Company are listed on Mumbai, Ahmedabad and Delhi Stock Exchanges.
- 6a. In view of Circular issued by the SEBI for appointing common agency for both the modes of transfers i.e. physical as well as Demat, the company has already appointed M/s. SHAREX (INDIA) PRIVATE LIMITED as Registrar & Transfer Agent for both the modes of transfer i.e. physical as well as Demat. Members are therefore requested to send their grievances to them for early disposal at the address given below.
- 6b. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below.

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

7. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
8. Members/Proxies holding their Shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
9. In all correspondence with the company, members are requested to quote their Folio No.

LISTING REQUIREMENTS:

As required under Clause 49 (IV) (G) (i) of the Listing Agreement, given below are the details of the Director(s) who are seeking appointment/re-appointment/re-appointment as Managing or Wholetime directors (Resolution at Item Nos. 2):

A. Name	:	Mr. M. D. Shanbhag
Age	:	59 years
Qualifications	:	B.Com, LLB

Mr. M. D. Shanbhag is associated with the Company since 1/02/2005 and has got rich experience of about 30 years to his credit.

Other Directorships :

1. PODAR TEXTILES (DAMAN) PRIVATE LIMITED
2. SINO PODAR TRADE (INDIA) LIMITED
3. SPORTS EDUCATION DEVELOPMENT INDIA LIMITED
4. NATURAL RESOURCES CONSULTING PRIVATE LIMITED
5. PRABHUKRIPA OVERSEAS LIMITED

Outside Committee Memberships	:	NIL
Outside Audit Committee Member	:	NIL
Outside Shareholders Grievance Committee Member	:	NIL
Remuneration Committee Member	:	NIL
No. of shares held in the company	:	NIL

Regd.Office

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

**For and on behalf of the Board
FOR EVERGREEN TEXTILES LIMITED**

sd/-

**(RAJENDRA M.BOLYA)
DIRECTOR**

DIRECTORS' REPORT

TO,
THE SHAREHOLDERS

Your Directors have great pleasure in presenting their 24th Annual Report together with the Audited accounts for the year ended March 31, 2011.

FINANCIAL RESULTS

Particulars	(RS. IN LACS)	
	Year ended 31-03-2011	Year ended 31-03-2010
Total Income	6.15	1.60
Profit(Loss) before Tax	(3.94)	(13.27)
Provision for Tax-FBT	---	---
Profit (loss) after Tax	(3.94)	(13.27)
Prior Period Adjustments	---	---
Balance brought forward	(1550.99)	(1537.72)
Balance carried to Balance Sheet	(1554.93)	(1550.99)

OPERATIONS

The Company has not been active for the past several years due to a severe financial crisis, for the past three years the Company was in the process of gradually liquidating all debts with various Banks and Financial institutions. Your Directors are glad to report that during these years the Company has cleared all secured and unsecured loans.

Your Directors are pleased to report that a study for the revival of the Company is already commissioned and is underway.

DIVIDEND:

As there was no activity, your board does not propose any dividend for the year ended March 31, 2011.

WINDING UP PROCEEDINGS BEFORE BOMBAY HIGH COURT:

With regard to Winding Up Proceedings, the Hon'ble High Court of Judicature at Mumbai has passed an Order dated 13th March, 2009 dismissing Company Petition No.509 of 2006. As per the Order, the Company is required to file an Undertaking in respect of various directions given by the Hon'ble Bombay High Court. The orders of the Hon'ble Bombay High Court has been complied with.

FIXED DEPOSITS:

Your Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 from the public and the rules made there under.

BOARD OF DIRECTORS:

As per the provisions of section 256 of the Companies Act, 1956. Mr. M. D. Shanbhag retire's by rotation and being eligible offers himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the directors confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2011 and of the loss of the company for that year.
- 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 fraud and other irregularities.
- iv. The annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE AND COMPLIANCE CERTIFICATE:

Separate notes on Corporate Governance and Management Discussion and Analysis Report are made part of this Annual Report. A Certificate from the Practicing Company Secretary of the Company certifying compliance conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

AUDITORS:

M/s. S. K. Bhageria & Associates, Chartered Accountants, auditors of the company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2012 as set out in the Notice convening the Meeting.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

During the year under review, as there were no activities, the requisite information with regard to the conservation of energy, technology absorption (Disclosures of Particulars in the report of Board of Directors) Rules is irrelevant/not applicable to the company during the year under review, the same are not reported.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

There are no Foreign Exchange earnings & Outgo during the year.

PARTICULARS OF EMPLOYEES:

There are no employees as required under section 217(2A) of the Companies Act, 1956.

LISTING AGREEMENT REQUIREMENTS:

Shares of the company are listed at the Stock Exchanges at Mumbai, Kolkata, Ahmedabad, and Delhi. The company has not paid the listing fees for Kolkata, Ahmedabad, and Delhi Stock Exchanges since the company is in process of getting the equity shares delisted from these stock exchanges.

BUY-BACK OF SHARES:

There were no buy-back of shares during the year under review.

ACKNOWLEDGMENT:

Your Directors place on record their sincere appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

By Order of the Board,
FOR EVERGREEN TEXTILES LIMITED

sd/-

(RAJENDRA M.BOLYA)
DIRECTOR

Mumbai.
22nd August, 2011.

CORPORATE GOVERNANCE REPORT:

1. COMPANY'S PHILSOPHY:

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

2. 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, 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	Atten ded 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.

3. 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

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. 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	5
Mr. Sitaram Verma	Member	5
Mr. M. D. Shanbhag	Member	5

Mr. Rajendra Bolya - Director is the Compliance Officer.

6. GENERAL BODY MEETINGS:

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.

7. 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.

8. MEANS OF COMMUNICATION:

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

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

9. GENERAL SHAREHOLDER'S INFORMATION

- a) Date & time A G M** : Thursday, September 29, 2011 at 4.00 P.M.
- b) Venue** : At Registered Office., Podar Chambers,
4th Floor, 109., S.A. Brelvi Road,
Fort, Mumbai – 400 001.
- c) Financial Year** : 1st April 2010 to 31st March 2011.
- d) Date of Book Closure** : 27/09/2011 TO 29/09/2011 [Both days inclusive].
- e) Listing on Stock Exchanges** : The Stock Exchange, Mumbai
The Stock Exchange, Ahmedabad
The Stock Exchange, Kolkata
The Stock Exchange, Delhi
- f) Listing Fees** : Listing fees for Bombay Stock Exchange has been paid.

g) Stock code (BSE) : 514060

h) ISIN No. :

The Company is in the process of getting its shares dematerialized, therefore ISIN no is not available.

i) 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. **Trading of equity shares of the Company is suspended on BSE.**

j) 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	0.83
20001-30000	5	128050	0.27
30001-40000	-	-	-
40001-50000	5	242970	0.51
50001-100000	3	286350	0.60
100001 & above	24	40506980	84.39
Total	3736	4800000	100.00

k) Shareholding Pattern As On 30th June, 2011:

Category	No. of shares held	% of shareholding
Promoters & Promoter Group	3550780	73.97
Mutual Funds /UTI	100	0.02
Financial Institutions / Banks	47100	0.98
Central / State Government	150300	3.13
Bodies Corporate	243600	5.08
Indian Public	766670	15.97
NRI / OCBs	41450	0.86
Total	4800000	100.00

None of the Independent Directors hold shares in the Company.

l) Dividend :

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

m) 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.

n) 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

- o) Plant Locations :** Plot No.B-5,
MIDC, Mahad,
Dist. Raigad (M.S).

p) Address for correspondence with the Company :

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

q) Correspondence Address 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

r) 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

10. **COMPLIANCE WITH NON MANDATORY REQUIREMENT.**

The Company has complied with all mandatory requirement of Clause 49 of the Listing Agreement with the Stock Exchange and has implemented the following non mandatory requirements:

1. **AUDIT QUALIFICATION:**

It is always the companies endeavor to present unqualified financial statements. There are no audit qualifications in the company's financial statement for the year under review.

2. **TRAINING OF BOARD MEMBERS:**

Directors are fully briefed about all business related matters risks assessment market conditions of the product manufactured by the company, competition and new initiative proposed by the company.

By Order of the Board,
FOR EVERGREEN TEXTILES LIMITED

Place : Mumbai.
Date : 22nd August, 2011.

(RAJENDRA M.BOLYA)
DIRECTOR

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, I Rajendra M. Bolya, Director, hereby declare that the Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, as laid down by the Board of Directors.

FOR EVERGREEN TEXTILES LIMITED

SD/-

Mumbai.
22nd August, 2011.

(RAJENDRA M.BOLYA)
DIRECTOR

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE
GOVERNANCE**

To,
The Members of
Evergreen Textiles Limited

We have examined the compliance of the conditions of Corporate Governance by Evergreen Textiles Limited for the year ended 31st March, 2011 as stipulated in clause 49 of the Listing Agreement with the Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the company's management. Our examination was limited to 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 on the financial statements of the Company.

In our opinion and to the best of our information, and according to the explanations given to us, we certify, that the Company has partly complied with the conditions of the Corporate Governance as stipulated in the above mentioned listing agreement.

We state that majority of the investor grievances were attended within one month as per maintained by the company.

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.

**For GMJ and Associates
Company Secretaries**

**Sd/-
Mahesh Soni
Partner
FCS:3706, COP:2324**

Place : Mumbai
Date : 22nd August, 2011.

CERTIFICATE BY CHIEF FINANCIAL OFFICER

As required by the Clause 49 of the Listing Agreement., I hereby certify that:

- (a) I have reviewed Financial Statements and the Cash Flow Statement for the financial year ended 31st March,2011 and to the best of our knowledge and belief:
 - (i.) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii.) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) The Company's other Directors and I are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee that:
 - (i.) There have been no significant changes in internal control over financial reporting during the year;
 - (ii.) There have been no significant changes in accounting policies during the year; and
 - (iii.) There are no frauds during the year.

FOR EVERGREEN TEXTILES LIMITED

SD/-

**(RAJENDRA M.BOLYA)
DIRECTOR**

Mumbai.
22nd August, 2011.

MANAGEMENT DISCUSSION AND ANALYSIS

1. 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.

2. 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.

3. RISK AND CONCERNS:

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

4. 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.

5. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

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

FOR EVERGREEN TEXTILES LIMITED

SD/-

**(RAJENDRA M.BOLYA)
DIRECTOR**

Mumbai.
22nd August, 2011.

AUDITOR'S REPORT

**TO
THE MEMBERS OF EVERGREEN TEXTILES LIMITED.**

- 1) We have audited the attached Balance Sheet of **EVERGREEN TEXTILES LIMITED** as at 31st March, 2011 and also the Profit & Loss Account and Cash flow statement of the company for the year 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, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4) Further to the above
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 such books of the company.
 - c) The Balance Sheet, Profit & Loss Account and the Cash Flow statement dealt with by this report are in agreement with the Books of Account of the company.
 - d) In our opinion, the Balance Sheet and the Profit & Loss Account comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of Companies Act, 1956.

- 2 -

- e) On the basis of the written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors are 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 financial statements together with significant accounting policies & notes thereon, give the information required by the Companies Act, 1956 in the manner so required and present 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 31st March 2011.
- (ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date.
- (iii) In the case of Cash flow Statement, of the Cash flow for the year ended on that date.

**For S.K.BHAGERIA & ASSOCIATES
Chartered Accountants
(Registration No : 112882W)**

sd/-

PLACE : MUMBAI

DATE : 22nd August, 2011.

**(S.K.BHAGERIA)
PARTNER
Membership No 41404**

**ANNEXURE REFERRED IN PARAGRAPH 3 OF AUDITOR'S REPORT TO THE MEMBERS OF
EVERGREEN TEXTILES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011.**

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b) All the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) Since there is no disposal of Fixed Assets during the year, para 4 (i) (c) of the Companies (Auditor's Report) order, 2003 (the order) is not applicable.
- ii) Since there are no Inventories, para 4 (ii) (a), (b) & (c) of the Order is not applicable.
- iii) a) According to the information and explanations given to us the company has not granted any secured or unsecured loans to Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, accordingly para 4 (iii) (a) to (c) of the order is not applicable.
- b) i) The company has taken unsecured loan from one Company, listed in the register maintained under section 301 of the Companies Act, 1956, wherein the balance payable as at the year end is Rs. 11,53,500/- (Maximum balance outstanding during the year is Rs. 17,68,500/-).
- ii) The loan taken is interest free, the same in our opinion is not prima facie, prejudicial to the interest of the company.
- iii) No Terms and Conditions have been stipulated for repayment of the loan hence we are unable to express our opinion on the same.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory, and fixed assets and for the sale of goods & services, if any. During the course of our audit, we have not observed any major weaknesses in the internal control systems of the company..
- v) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the Register maintained under section 301 of the Companies act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, Since the company has not entered into any transactions of contracts or arrangements exceeding Rs five lakh in respect of any party during the financial year that needs to be entered in the register maintained under section 301 of the Companies Act, 1956, Para 4 of (v)(b) of the order is not applicable.
- vi) The company has not accepted any deposits from the Public and consequently, the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 are not attracted.
- vii) While the Company has no formal internal audit system during the year under review. the Directors of the company have always kept adequate vigilance over the day to day transactions of the company and over the proper maintainance of the basic records and Books of Accounts of the company.

- 2 -

viii) We are informed that the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for any of the products of the company.

ix) a) According to the information and explanations given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Investor Education & Protection fund, Employees state Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom duty, Excise duty, Cess and Other Statutory dues applicable to it. further to this there are no undisputed dues payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom duty, Excise duty, and Cess were in arrears, as at 31st March, 2011 for more than six months from the date they become payable except Excise duty of Rs.5,35,24,282/-

b) The details of disputed dues of Sales Tax, Service Tax, Income Tax, Wealth Tax, custom Duty, Excise duty and Cess, which have not been deposited, are as under :

<u>Name of the Statute</u>	<u>Forum where dispute is pending</u>	<u>As at</u>	<u>As at</u>
		<u>31.03.11</u>	<u>31.03.10</u>
		(Rs in Lacs)	(Rs in Lacs)
1 Central Excise	Appellate Tribunal	428.26	428.26
2 Sales Tax	Sales Tax Tribunal	18.25	18.25

x) The accumulated losses of the Company at the end of the financial year 31.03.2011. are more than fifty percent of its net worth, the company has incurred cash losses during the financial year and also in the immediately preceding financial year.

xi) According to the information and explanations given to us, there are no dues of Financial institutions / Banks / Debenture Holders at the year end, hence provisions of clause 4 (xi) of the Order is not applicable to the Company.

xii) Based on our examinations of the records & of the information and explanations given to us, the Company has not granted any loans and /or advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the company.

xiv) 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. Accordingly the provisions of clause 4 (xiv) of the Order are not applicable to the company.

xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. Therefore, the provisions of clause 4 (xv) of the Order does not apply to the company.

xvi) According to the information and explanations given to us, the Company has not taken any term loans during the year, hence the provisions of clause 4 (xvi) of the Order is not applicable to the Company.

xvii) According to the information and explanations given to us and on a overall examination of balance sheet of the company, Since the company has not raised any short term fund or long term fund, para 4 (xvii) of the Order is not applicable to the Company.

- 3 -

- xviii) According to the information and explanations given to us, 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, during the year. Hence para 4 (xviii) of the Order is not applicable to the Company.
- xix) According to the information and explanations given to us the company has not issued any debentures during the year, hence para 4 (xix) of the Order is not applicable to the Company.
- xx) According to the information and explanations given to us the company has not raised any money by way of public issues during the year, hence para 4 (xx) of the Order is not applicable to the Company.
- xxi) According to information and explanations given to us no fraud on or by the company has been noticed or reported during the year, in the course of our audit.

**For S.K.BHAGERIA & ASSOCIATES
Chartered Accountants
(Registration No : 112882W)**

sd/-

PLACE : MUMBAI

DATE : 22.8.2011

**(S.K.BHAGERIA)
PARTNER
Membership No 41404**

EVERGREEN TEXTILES LIMITED

BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	SCHEDULE	AS AT 31.3.2011 RUPEES	AS AT 31.3.2010 RUPEES
<u>SOURCES OF FUNDS</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	1	48000000	48000000
Reserves and Surplus	2	<u>15525257</u>	<u>15525257</u>
		<u>63525257</u>	<u>63525257</u>
<u>LOAN FUNDS</u>			
Unsecured Loans	3	1153500	1129728
TOTAL		<u>64678757</u>	<u>64654985</u>
<u>APPLICATION OF FUNDS</u>			
<u>FIXED ASSETS</u>			
Gross Block	4	22167266	22167266
Less : Accumulated Depreciation		15051755	14355343
Net Block		<u>7115511</u>	<u>7811923</u>
INVESTMENTS	5	5000	5000
<u>CURRENT ASSETS, LOANS & ADVANCES</u>			
Cash and Bank Balances	6	64489	38938
Loans and Advances	7	<u>197861</u>	<u>197861</u>
		262350	236799
LESS: CURRENT LIABILITIES & PROVISIONS	8	98197560	98497836
NET CURRENT ASSETS		<u>(97935210)</u>	<u>(98261037)</u>
<u>MISCELLANEOUS EXPENDITURE</u>			
(To the extent not written off or adjusted) Profit and Loss account		155493456	155099099
TOTAL		<u>64678757</u>	<u>64654985</u>
Accounting Policies & Notes to Accounts	11		

The Schedules referred to above including notes on accounts form an integral part of the Balance Sheet

**AS PER OUR ATTACHED REPORT OF EVEN DATE
FOR S. K. BHAGERIA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Registration No : 112882W)**

	sd/-	sd/-	sd/-
	(S . K. BHAGERIA) PARTNER	(M.D SHANBHAG) DIRECTOR	(RAJENDRA M BOLYA) DIRECTOR
MUMBAI DATE : 22.8.2011	Membership No 41404		

EVERGREEN TEXTILES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011.

PARTICULARS	SCHEDULE	2010-2011 RUPEES	2009-2010 RUPEES
<u>INCOME</u>			
Other Income	9	615048	160328
TOTAL INCOME		<u>615048</u>	<u>160328</u>
<u>EXPENDITURE</u>			
Operating & Other Expenses	10	312993	791307
TOTAL EXPENSES		<u>312993</u>	<u>791307</u>
PROFIT / (LOSS) BEFORE INTEREST, DEPRECIATION & TAXATION		302055	(630979)
Depreciation		696412	696412
PROFIT / (LOSS) BEFORE TAXATION		(394357)	(1327391)
Provision for Taxation		---	---
PROFIT / (LOSS) AFTER TAXATION		(394357)	(1327391)
Add : Balance brought forward from Previous Year		(155099099)	(153771708)
BALANCE CARRIED TO BALANCE SHEET		<u>(155493456)</u>	<u>(155099099)</u>
Earning Per Share Basic & Diluted (Rs)		(0.08)	(0.28)
Nominal Value per Share (Rs)		10.00	10.00
Accounting Policies & Notes to Accounts	11		

The Schedules referred to above including notes on accounts form an integral part of the Profit & Loss Account.

AS PER OUR ATTACHED REPORT OF EVEN DATE

**FOR S. K. BHAGERIA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Registration No : 112882W)**

sd/-	sd/-	sd/-
(S . K. BHAGERIA)	(M.D SHANBHAG)	(RAJENDRA M BOLYA)
PARTNER	DIRECTOR	DIRECTOR
Membership No 41404		
MUMBAI		
DATE : 22.8.2011		

EVERGREEN TEXTILES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT.

	AS AT 3/31/2011 (Rupees)	AS AT 31/03/2010 (Rupees)
<u>SCHEDULE '1'</u>		
<u>SHARE CAPITAL</u>		
AUTHORISED :		
50,00,000 Equity Shares of Rs 10/- each	<u>5000000</u>	<u>5000000</u>
ISSUED, SUBSCRIBED & PAID UP :		
48,00,000 Equity Shares of Rs 10/- each fully paid	48000000	48000000
	<u>4800000</u>	<u>4800000</u>
<u>SCHEDULE '2'</u>		
<u>RESERVES AND SURPLUS</u>		
Capital Reserve		
State subsidy as per last account	1000000	1000000
Central subsidy as per last account	1000000	1000000
	<u>2000000</u>	<u>2000000</u>
Forfeited Shares Account		
As per last account	5000	5000
Special Reserve Account		
As per last account	8520257	8520257
Investment Allowance Reserve		
As per last account	5000000	5000000
	<u>15525257</u>	<u>15525257</u>
<u>SCHEDULE '3'</u>		
<u>UNSECURED LOANS</u>		
From Body Corporate	1153500	1129728
	<u>1153500</u>	<u>1129728</u>

SCHEDULE '4'**FIXED ASSETS**

DESCRIPTION OF ASSETS	GROSS BLOCK (ATCOST)			DEPRECIATION			NET BLOCK	
	Cost/Book Value as at 01.04.2010	Additions	Cost/Book Value as at 31.03.2011	Till 31.03.2010	For the Year	Total as on 31.03.2011	As at 31.03.2011	As at 31.03.2010
Leasehold land	856853	---	856853	214223	9020	223243	633610	642630
Buildings (including Road & Drains)	21310413	---	21310413	14141120	687392	14828512	6481901	7169293
TOTAL RUPEES	22167266	---	22167266	14355343	696412	15051755	7115511	7811923
Previous Year's Figure	22167266	---	22167266	13658931	696412	14355343	7811923	8508335

EVERGREEN TEXTILES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT.

	AS AT 3/31/2011 <u>(Rupees)</u>	AS AT 31/03/2010 <u>(Rupees)</u>
<u>SCHEDULE '5'</u>		
<u>INVESTMENTS</u>		
Kisan Vikas Patra (Deposit with Sales Tax Department Daman)	5000	5000
	<u>5000</u>	<u>5000</u>
<u>SCHEDULE '6'</u>		
<u>CASH AND BANK BALANCES</u>		
Cash in Hand	14613	16399
Balance with Schedule Banks - in Current accounts	49876	22539
	<u>64489</u>	<u>38938</u>
<u>SCHEDULE '7'</u>		
<u>LOANS AND ADVANCES</u>		
(Unsecured, Considered good unless otherwise stated)		
Balances with Central Excise Dept	157889	157889
Sundry Deposits with Govt Dept & Others	39972	39972
	<u>197861</u>	<u>197861</u>
<u>SCHEDULE '8'</u>		
<u>CURRENT LIABILITIES & PROVISIONS</u>		
<u>CURRENT LIABILITIES :</u>		
Sundry Creditors for Expenses & Services	98197560	98497836
	<u>98197560</u>	<u>98497836</u>
<u>SCHEDULE '9'</u>		
<u>OTHER INCOME</u>		
Cash Compensatory Support Claim Recd	615048	---
Interest on Fixed Deposit	---	743
Sundry Dr/ Cr Balances W/Back	---	159585
	<u>615048</u>	<u>160328</u>

SCHEDULE '10'

OPERATING & OTHER EXPENSES

Rates & Taxes	2500	2500
Printing & Stationary	27437	21728
Travelling & Conveyance Expenses	3667	7697
Miscellaneous Expenses	163040	169381
Listing Fees	17150	73314
Professional charges	81960	499392
Auditors Remuneration	16545	16545
Bank Charges	694	750
	<u>312993</u>	<u>791307</u>

EVERGREEN TEXTILES LIMITED

SCHEDULE - 11

Notes forming part of the Annual Accounts for the year ended 31st March 2011.

1 SIGNIFICANT ACCOUNTING POLICIES:

A. **System of Accounting**

The Company generally adopts the accrual basis in the preparation of the Accounts i.e. the Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred except in case of significant uncertainties.

B **Fixed Assets & Depreciation**

Fixed assets are stated at cost less depreciation.

Depreciation has been provided in the Books, on the following basis.

- a Leasehold land is amortised over the period of lease.
- b Buildings (including Roads & Drains) is provided under straight line method at the rates specified in Schedule XIV of the Companies Act, 1956.

C **Investments :**

Investments are stated at cost.

D **Gratuity**

Since in the year end there were no employees in the company therefore there is no liability in respect of the same.

E **Leave Pay**

Since in the year end there were no employees in the company therefore there is no liability in respect of the same.

F **Taxation :**

Income Tax expenses comprises Current tax, Deferred tax charge or credit and Fringe benefit tax . Provision for current tax is made only on the assessable income at the tax rate applicable in the relevant assessment year. The Deferred tax charge or credit is recognised using prevailing enacted tax rate. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets / liabilities are reviewed as at each balance sheet date based on developments during the period and available case law to reassess realization / liabilities.

- 2 a In pursuance of the order dated 24th September 2002 of Supreme Court, the company has been held liable for payment of Excise duty on its Finished product (Fur Fabrics). In pursuance of the said order the Central Excise Authorities has asked the company to pay amount of Rs 1,45,78,305/- towards Central Excise duty payable on the goods cleared by the company during the period from 20.10.1987 to 31.07.1990. The company has accordingly provided a sum of Rs 1,45,78,305/- towards Central excise duty liability in its accounts during the year ended 31st March 2003. the company has however not provided for interest on the demand of Rs 1,45,78,305/- from the date of the Order of the Hon'ble Supreme Court.

b

In pursuance of the order dated 30th November 2004 of Additional Commissioner, Central Excise, Mahad, the Company has been held liable for demand of BED, AED, and AD (T & T) under section 11 A of Central Excise Act, 1944 on its finished products Fur Fabrics. In pursuance of the said order the Central Excise authorities had asked the company to pay an amount of Rs 1,60,29,381/- towards Central Excise Duty payable on goods cleared by Company during the period from sept 1996 to nov 2000 the company accordingly provided a sum of Rs 1,60,29,381/- towards Central Excise Duty liability in its account during the year ended 31st March 2005. The company has however not provided for interest on demand of Rs 1,60,29,381/- from the date of order.

c

In pursuance of the order dated 16th March 2005 of Assistant Commissioner, Central Excise, Mahad, the Company has been held liable for demand of short payments arising out of the finalisation of the provisional assessment of its finished products Fur Fabrics. In pursuance of the said order the Central Excise authorities had asked the company to pay an amount of Rs 2,29,16,596/- towards Central Excise Duty payable on goods cleared by Company during the period from 24.03.1987 to 31.05.1994 the company accordingly provided a sum of Rs 2,29,16,596/- towards Central Excise Duty liability in its account during the year ended 31st March 2005.

d

In pursuance of the order dated 19th December, 2006 of The Commissioner, Central Excise (ADJ), Mumbai, the Company has been held liable for demand of duty under section 11 A (2) of Central Excise Act, 1944 for Rs 2,22,34,778/- and also penalty imposed of Rs 2,00,91,308/- u/s 11 AC and Rs 5,00,000/- under rule 209 of CER,1944 regarding its deemed export transactions under 100% EOU with GCU Ltd. During the period August 1996 to July 1998. Although the company has disputed the same and filed appeal against the same before the Appellate Tribunal u/s 35B of the Central Excise Act, the Company has provided for total amount of Duty and Penalty amounting to Rs 4,28,26,086/- towards Central Excise Duty liability in its accounts during the year ended 31st March 2007. The adjustments if any will be made in the books of accounts in the year as & when the appeal is decided.

3 In pursuance of the assessment proceedings before the Sales Tax officer, the company has received demand notices from Sales tax Office under the Bombay Sales Tax Act & Central Sales Tax Act in respect of the following financial years.

<u>Financial Year</u>	<u>Amount (Rs)</u>	
	<u>BST</u>	<u>CST</u>
1994-95	175500	49700
1995-96	1343000	10160
1997-98	9920	---
1998-99	30000	---
1999-2000	206700	---
Total	<u>1765120</u>	<u>59860</u>

Although the company has disputed the same and filed appeal against the same before The Sales Tax Tribunal, Mumbai the company has provided for the total demand amount of Rs 18,24,980/- towards Sales Tax liability in its accounts during the year ended 31st March 2007. The adjustment if any will be made in the books of accounts in the year as and when the appeal is decided.

4

In the opinion of the Board of Directors the company except that there would be no liability of custom duty & other charges payable Rs 558.00 Lacs (Approx) on raw materials imported under Duty Exemption Scheme for non - fulfilment of Export obligation due to major fire in the factory premises of the company on 28th May 1993, hence no provision for the same has been made in the books of account.

5

In the opinion of the Board of Directors, the Current Assets, Loans & Advances have a value on realization in the ordinary course of business atleast equal to the amount stated in the balance sheet unless otherwise stated.

- 6 a Some of the books and records of the company pertaining to previous financial years taken by the central excise authorities on 01/02/1997 are still lying with concerned Authorities. The accounts for the previous financial years therefore were reconstructed and reconciled from available information and records. Adjustments as may be deemed necessary will be made in the accounts after the release of the Books and records by the concerned authorities.
- b Some of the books and records of the company pertaining to previous financial years taken by the central excise authorities on 23.07.98 are still lying with concerned Authorities. The accounts for the previous financial years therefore were reconstructed and reconciled from available information and records. Adjustments as may be deemed necessary will be made in the accounts after the release of the Books and records by the concerned authorities. The company is therefore not in a position to ascertain the quantum of liability if any arising and therefore the same will be provided as and when demand is raised.
- 7 The Company's claim for Cash Compensatory Support (CCS) against its Deemed Exports was rejected by the concerned authorities of the Joint Chief Controller of Imports and Exports against which though a writ petition filed by the Company was admitted by the Bombay High Court, The Honourable Court in its judgement dated 12.03.2010 has given an order for a claim of Rs 3,14,621/- as against the CCS claim of Rs 7,74,786/- for the year ended 31.03.1992 with an interest of 6% thereon from the date of petition. The above claim has been received by the Company and the same has been accounted during the year hence now no CCS claim will be receivable.

8 Related Party Disclosures :

- a. List of Related Parties (As certified by the management).

1) **Related Parties**

1. Premier Consultant & Traders Limited

- b. The following transactions were carried out during the year with the related parties in the ordinary course of business.

<u>Sr. No.</u>	<u>Nature of Transactions</u>	<u>Amount due on 31.03.11 (RS)</u>	<u>Amount due on 31.03.10 (RS)</u>
1	Loans, Advances and Deposits Received	1153500	1129728

- 9 Earnings per share is calculated as per Accounting Standard 20 issued by ICAI. The calculation of basic and diluted earnings per share is calculated by dividing the profit / (Loss) after tax, attributable to the equity share holders by the weighted average number of equity shares outstanding during the year as below.

	<u>AS AT 31.3.2011</u>	<u>AS AT 31.3.2010</u>
Profit / (loss) after Taxation	Rs.(394357)	Rs.(1327391)
No of Shares	4800000	4800000
Basic and Diluted Earning Per Share.(Rs)	(-) 0.08	(-) 0.28

- 10 There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are

outstanding for more than 45 days as at Balance Sheet date..

- 11 In view of the Losses during the year, the company doesnot have taxable Income, hence the Provision for current Income Tax has not been made.
- 12 The figures have been rounded off to the nearest rupee.
- 13 Previous year's figures have been regrouped and rearranged wherever considered necessary.
- 14 Additional information pursuant to the paragraphs 3, 4(c) and 4(d) of Part I of Schedule VI of The Companies Act, 1956 are either NIL or not applicable to the company.

For S.K.BHAGERIA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Registration No : 112882W)

	sd/-	sd/-	sd/-
MUMBAI	(S.K.BHAGERIA)	(M.D.SHANBHAG)	(RAJENDRA M BOLYA)
	PARTNER	DIRECTOR	DIRECTOR
DATE : 22.8.2011	Membership No 41404		

EVERGREEN TEXTILES LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

	AS AT 3/31/2011		AS AT 3/31/2010	
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
<u>A. CASH FLOW FROM OPERATING ACTIVITIES :</u>				
NET PROFIT / (LOSS) BEFORE TAX AND EXTRAORDINARY ITEMS		(394357)		(1327391)
<u>ADJUSTMENTS FOR :</u>				
Depreciation	696412		696412	
Interest & Finance charges	<u>694</u>	<u>697106</u>	<u>750</u>	<u>697162</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		302749		(630229)
<u>ADJUSTMENT FOR :</u>				
Trade and Other Receivables			6600	
Trade Payables	<u>(300276)</u>	<u>(300276)</u>	<u>(293884)</u>	<u>(287284)</u>
CASH GENERATED FROM OPERATIONS :		2473		(917513)
Interest & Finance charges Paid		<u>(694)</u>		<u>(750)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES :		1779		(918263)
<u>B. CASH FLOW FROM INVESTING ACTIVITIES :</u>				
NET CASH USED IN INVESTING ACTIVITIES		<u>1779</u>		<u>(918263)</u>
<u>B. CASH FLOW FROM FINANCING ACTIVITIES :</u>				
Proceeds from Borrowings (Net of Repayments)	<u>23772</u>		<u>946226</u>	
<u>NET CASH USED IN FINANCING ACTIVITIES</u>		<u>23772</u>		<u>946226</u>
<u>NET INCREASE IN CASH AND CASH EQUIVALENTS</u>		25551		27963
CASH AND CASH EQUIVALENTS AS AT 01/04/2010 (<u>OPENING BALANCE</u>)		38938		10975
CASH AND CASH EQUIVALENTS AS AT 31/03/2011 (<u>CLOSING BALANCE</u>)		64489		38938

AS PER OUR REPORT ATTACHED

**FOR S. K. BHAGERIA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Registration No : 112882W)****sd/-
(S.K.BHAGERIA)
PARTNER
MEMBERSHIP NO.41404****sd/-
M D SHANBHAG
Director****sd/-
RAJENDRA M BOLYA
Director**PLACE : MUMBAI
DATE: 22.8.2011

EVERGREEN TEXTILES LIMITED

SCHEDULE 12

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

I Registration Details :

Registration No.

	3	7	6	5	2
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 State Code

1	1
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Balance Sheet Date

3	1	0	3	2	0	1	1
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II Capital Raised during the year (Amount in Rs.Thousand)

Public Issue <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td></tr></table>	--	--	--	--	--	Right Issue <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td></tr></table>	--	--	--	--	--
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Bonus Issue <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td></tr></table>	--	--	--	--	--	Private Placement <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td></tr></table>	--	--	--	--	--
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III Position of Mobilisation and Deployment of Fund (Amount in Rs. Thousand)

Total Liabilities <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;">6</td><td style="width: 20px; height: 20px;">4</td><td style="width: 20px; height: 20px;">6</td><td style="width: 20px; height: 20px;">7</td><td style="width: 20px; height: 20px;">9</td></tr></table>		6	4	6	7	9	Total Assets <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;">6</td><td style="width: 20px; height: 20px;">4</td><td style="width: 20px; height: 20px;">6</td><td style="width: 20px; height: 20px;">7</td><td style="width: 20px; height: 20px;">9</td></tr></table>		6	4	6	7	9
	6	4	6	7	9								
	6	4	6	7	9								
Sources of Funds :													
Paid up Capital <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">4</td><td style="width: 20px; height: 20px;">8</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">0</td></tr></table>	4	8	0	0	0	Reserves & Surplus <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">2</td><td style="width: 20px; height: 20px;">5</td></tr></table>	1	5	5	2	5		
4	8	0	0	0									
1	5	5	2	5									
Secured Loans <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td></tr></table>	--	--	--	--	--	--	Unsecured Loan <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">4</td></tr></table>	--	1	1	5	4	
--	--	--	--	--	--								
--	1	1	5	4									
Application of Funds :													
Net Fixed Assets <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">7</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">5</td></tr></table>	--	7	1	1	5	Investments <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">5</td></tr></table>	--	--	--	--	5		
--	7	1	1	5									
--	--	--	--	5									
Net Current Assets <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">(-)</td><td style="width: 20px; height: 20px;">9</td><td style="width: 20px; height: 20px;">7</td><td style="width: 20px; height: 20px;">9</td><td style="width: 20px; height: 20px;">3</td><td style="width: 20px; height: 20px;">5</td></tr></table>	(-)	9	7	9	3	5	Misc Expenditure <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td></tr></table>	--	--	--	--	--	--
(-)	9	7	9	3	5								
--	--	--	--	--	--								
Accumulated Losses <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">4</td><td style="width: 20px; height: 20px;">9</td><td style="width: 20px; height: 20px;">4</td></tr></table>	1	5	5	4	9	4							
1	5	5	4	9	4								

IV Performance of Company (Amount in Thousand) :

Turnover <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">6</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">5</td></tr></table>	--	--	--	6	1	5	Total Expenditure <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">--</td><td style="width: 20px; height: 20px;">1</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">9</td></tr></table>	--	--	--	--	1	0	0	9
--	--	--	6	1	5										
--	--	--	--	1	0	0	9								
+ - Profit/Loss before Tax <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;">(-)</td><td style="width: 20px; height: 20px;">3</td><td style="width: 20px; height: 20px;">9</td><td style="width: 20px; height: 20px;">4</td></tr></table>				(-)	3	9	4	+ - Profit/Loss after Tax <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;">(-)</td><td style="width: 20px; height: 20px;">3</td><td style="width: 20px; height: 20px;">9</td><td style="width: 20px; height: 20px;">4</td></tr></table>				(-)	3	9	4
			(-)	3	9	4									
			(-)	3	9	4									
Earning per Shares Rs. <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">(-) 0.08</td></tr></table>	(-) 0.08	Dividend Rate % <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">NIL</td></tr></table>	NIL												
(-) 0.08															
NIL															

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

Item Code No (ITC Code)	<table style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">4</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">2</td></tr></table>	5	4	0	2
5	4	0	2		
Product Description	POLYESTER YARNS				
Item Code No (ITC Code)	<table style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">5</td><td style="width: 20px; height: 20px;">0</td><td style="width: 20px; height: 20px;">7</td></tr></table>	5	5	0	7
5	5	0	7		
Product Description	FUR FABRICS				

Signature to Schedule 1 to 12 which form an integral part of the Annual Accounts

**For S.K.BHAGERIA & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firms Registration No : 112882W)**

sd/-

sd/-

sd/-

MUMBAI
Date :22.8.2011

(S.K.BHAGERIA)
PARTNER
Membership No 41404

(M. D. SHANBHAG)
Director

(RAJENDRA M.. BOLYA)
Director