

KAPIL COTEX LTD
BALANCE SHEET & STATEMENT OF ACCOUNT
FOR THE YEAR ENDEND ON 31ST MARCH 2001.

KAPIL COTEX LIMITED

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held at 354, Kalbadevi Road, Kalyan Bhuvan, Mumbai- 400002 on Saturday, September 29, 2001 at 11 a.m. to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2001 and Profit & Loss Account for the year ended on that date and Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Kailash Singhania who retires by rotation and he is eligible for re-appointment.
3. To appoint a Director in place of Shri Radhesham Bagri who retires by rotation and he is eligible for re-appointment.
4. To appoint Auditors and fix their remuneration.

NOTES:

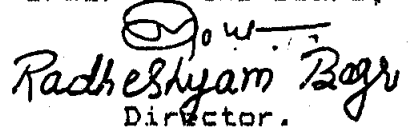
1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 26, 2001 to Saturday, September 29, 2001 (both days inclusive).
3. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.

Mumbai
September 01, 2001

Regd. Off.:

354, Kalbadevi Road,
Kalyan Bhuvan, Mumbai- 400002.

By Order of the Board,


Radheshyam Bagri
Director.

CERTIFIED TRUE COPY

For Kapil Cotex Limited.


Radheshyam Bagri
Director.

KAPIL COTEX LIMITED

DIRECTORS' REPORT TO THE MEMBERS

Regd. Off.: 354, Kalbadevi Road, Kalyan Bhuvan, Mumbai- 400002.

Your Directors present before you the Seventeenth Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2001.

Financial Results:

The financial results of the Company are summarised as under :
Rs. in Lakhs

	Year 2000-01 -----	Year 1999-00 -----
Sales and other Income	24.54 =====	34.49 =====
Profit before Depreciation	2.58	2.66
Less: Depreciation	0.24	0.39
Profit before Tax	2.34	2.27
Less: Provision for tax	0.95	0.85
Profit after tax	1.39	1.42
Add: Balance B/F from last year	7.29	5.87
	8.68	7.29
Income-tax adjustment of earlier year (0.09)	(0.09)	(0.05)
Balance transferred to Balance Sheet	8.59 =====	7.24 =====

Information under Section 217 (d)(e) of the Companies Act, 1956:

Measures are being taken to conserve the electrical energy at all levels.

The Company does not use any technology for its existing business

There was no foreign exchange earning or outgo during the year under report.

Listing :

The Equity shares of the company are listed on the Mumbai Stock Exchange and the company has paid the Annual Listing Fees to the Exchange for the year 2000-01.

Directors:

Shri Kailisha Singhania and Shri Radhesham Bagri, Directors of the Company would retire by rotation at the forthcoming Annual General Meeting and are eligible for re-appointment.

Employees:

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

CERTIFIED TRUE COPY
For Kapil Cotex Limited.

Radheshyam Bagri
Director

Directors' Responsibility Statement :

Your Directors confirm that :

- (i) In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the company at the end of the financial year and of profit or loss of the company for that period.
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The directors had prepared and annual accounts on a going concern basis.

Compliance Certificate

Secretarial Compliance certificate of the Secretary in whole time practice in respect of the financial year ended on March 31, 2001 under section 383A of the Companies Act, 1956 is attached hereto.

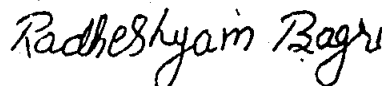
Auditors:

M/s M.S. Vyas & Associates, Chartered Accountants, Auditors of the Company would retire at the forthcoming Annual General Meeting and they are willing to be re-appointed.

For and on behalf of the Board,



Director

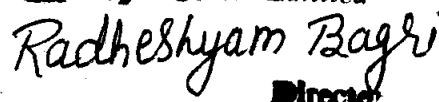


Director

Mumbai,
September 01, 2001.

CERTIFIED TRUE COPY

 **Rajil Cotex Limited**



Director

P. K. SHAH & ASSOCIATES
COMPANY SECRETARIES

Office :

A-60, Azad Nagar,
Veera Desai Road, Andheri (W)
Mumbai - 400 053.
Tel. : 6358597/98
E mail : paresha_law@yahoo.com

Registration No. 11- 31114

Authorised Capital : 25,00,000/-

Compliance Certificate

To,

The Members

KAPIL COTEX LIMITED

354, Kalbadevi Road, Kalyan Bhavan,
IInd Floor, Mumbai - 400 002.

We have examined the registers, records, books and papers of Kapil Cotex Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2001. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a public limited company, comments that a Private Limited Company has minimum prescribed capital, maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 5 (Five) times on 29.04.2000, 29.07.2000, 30.08.2000, 29.01.2001 and on 29.01.2001 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed.)
5. The Company closed its Register of Members from 26.09.2000 to 29.09.2000 and necessary compliance of section 154 of the Act has been made.

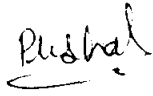
6. The annual general meeting for the financial year ended on 31st March, 2000 was held on 29.09.2000 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors and/or persons or firms or companies referred to in the Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make any entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or the previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13.
 - (i) There was no allotment / transfer / transmission of securities during the financial year.
 - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year. There were no unpaid dividends in the Company.
 - (iv) There are no unpaid dividends, application money due for refund, matured deposits, matured debentures or the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - (v) (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director /Whole-time Director /Manager during the financial year.

16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year ending 31 03 2001 are within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened annual/extraordinary general meeting.
25. The company has made loans in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.

30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year.

For P. K. Shah & Associates

Place Mumbai

Signature : 

Date : 1st September, 2001

Name of Company Secretary : Paresha Shah

C. P. No. : 4038

KAPIL COTEX LIMITED

Annexure A

Statutory Registers as maintained by the Company

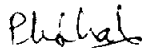
1. Register of Members u/s 150 of the Act.
2. Minutes Book of Board Meetings u/s 193 of the Act.
3. Minutes Book of General Meetings u/s 193 of the Act.
4. Books of Accounts u/s 209 of the Act are being audited by the Statutory Auditors of the Company.
5. Register of Contracts u/s 301 of the Act.
6.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

Other Registers :

1. Register of transfers.
2. Attendance Register of Board Meeting.
3. Attendance Register of General Meeting.

For P. K. Shah & Associates

Place: Mumbai

Signature : 

Date : 1st September, 2001

Name of Company Secretary : Paresha Shah

C. P. No. : 4038

KAPIL COTEX LIMITED

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2001.

Sr No	Form No /Return	Filed under section	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid. Yes/No
1	Balance Sheet as at 31.03.2000	220	For A. G. M. held on 29.09.2000	08.11.2000	No	Yes
2	Annual Return made upto 29.09.2000	159	For A. G. M. held on 29.09.2000	08.11.2000	Yes	N. A.

For P. K. Shah & Associates

Place: Mumbai

Signature : P. K. Shah

Date : 1st September, 2001

Name of Company Secretary : Paresha Shah

C. P. No. : 4038

M. S. VYAS & ASSOCIATES

CHARTERED ACCOUNTANTS

M. S. VYAS

B.Com., F.C.A.

D. D. BOHRA

B.Com., F.C.A.

Phone : 265 1406

1/13-B, Rajabhadur Compound
27, Tamarind Lane, Off. B. S. Marg
Opp. Allahabad Bank
MUMBAI - 400 023

AUDITORS CERTIFICATE

We have examined the above Cash Flow statement of KAPIL COTEX LIMITED, MUMBAI. The statement prepared by the Company is in accordance with the requirements of the listing agreement Clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the company.



Place : Mumbai

Date : 1 SEP 2001

FOR M.S.VYAS & ASSOCIATES,
Chartered Accountants,

(Signature)
(D.D. BOHRA)
Partner.

CERTIFIED TRUE COPY

For Kapil Cotex Limited

Radheshyam Bagri
Director

M. S. VYAS & ASSOCIATES

CHARTERED ACCOUNTANTS

M. S. VYAS

B.Com., F.C.A.

D. D. BOHRA

B.Com., F.C.A.

Phone : 265 1408

1/13-B, Rajabhadur Compound,
27, Tamarind Lane, Off. B. S. Marg,
Opp. Allahabad Bank,
MUMBAI - 400 023.

KAPIL COTEX LIMITED, MUMBAI

REPORT OF THE AUDITORS TO THE SHAREHOLDERS.

We have audited the attached Balance Sheet of KAPIL COTEX LIMITED, MUMBAI as at 31st March, 2001 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto and report that :-

1. As required by the manufacturing and other Companies (Auditor's Report) Order 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956. We enclose in the Annexure a statement in the matters specified in Paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in Paragraph 1 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 accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet complies with the mandatory Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 subject to Note No.2 of Schedule -K of Notes on account regarding depreciation not provided as per Companies Act.
 - e) On the basis of information and explanations given to us, and representations obtained by the company, none of directors of the company are disqualified, as on 31st March, 2001, from being appointed as directors under the terms of section 274(1)(g) 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 accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view subject to Note No.2 of Schedule -K regarding depreciation and other Notes of Schedule -K.
 - i) In the case of Balance Sheet of the state of affairs of the company as at 31st March, 2001 and
 - ii) in the case of the Profit & Loss Account of the Profit for the year ended on that date.

Place : Mumbai

FOR M.S.VYAS & ASSOCIATES,
Chartered Accountants,

Date : 1 SEP 2001



(D.D. BOHRA)

CERTIFIED TRUE COPY

Kapil Cotex Limited

M. S. VYAS & ASSOCIATES

CHARTERED ACCOUNTANTS

M. S. VYAS
B.Com., F.C.A.
D. D. BOHRA
B.Com., F.C.A.

Phone : 265 1408

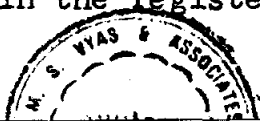
1/13-B, Rajabhadur Compound,
27, Tamarind Lane, Off. B. S. Marg,
Opp. Allahabad Bank.
MUMBAI - 400 023.

KAPIL COTEX LIMITED

ANNEXURE TO THE AUDITORS REPORT

Annexure referred to in Paragraph 1 of the Report of even date the Auditors to the Shareholders of KAPIL COTEX LIMITED, on the Accounts for the year ended on 31st March, 2001.

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. All the assets have been physically verified by the management and no serious discrepancies have been noticed on verification.
2. None of the Fixed Assets have been re-valued during the year.
3. Physical verification has been conducted by the Management at the end of the year in respect of finished goods and raw materials.
4. The procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
5. The discrepancies noticed on verification between physical stock and book records were not material.
6. On the basis of our examination of records, we are of the opinion that valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has taken interest free loans from the Directors listed in the Register maintained under section 301 of the Companies Act, 1956 (1 of 1956), terms and conditions of such loans are not prima-facie prejudicial to the interest of the company. Company has not taken any loans from the companies under the same management during the year.
8. The company has given unsecured loans to companies, firms or other parties listed in the registers maintained under section 301 &



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For Kapil Cotex Limited

Dr. Mahesh Chandra...

370(1-C) of the Companies Act, 1956. Rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the company.

9. In respect of loans and advances in nature of loans given by the company, the parties have repaid the principal amounts where stipulated and have also been regular in the payment of interest, where applicable.

10. In our opinion and according to information and explanations given to us there are adequate internal control procedure commensurate with the size of the company and the nature of its business for purchases of raw material, goods, equipments, other assets and for the sale of goods.

11. The transactions of purchase of goods and materials and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials and services or the prices at which transactions for similar goods or services have been made with other parties.

12. As informed to us no part of stores and raw materials have been determined as unserviceable or damaged during the year.

13. As informed to us, the company has not taken or accepted any deposit from the Public during the year.

14. As explained to us the company has no by-product and disposable scrap during the year.

15. Since the paid up capital of the company is below Rs. 25 Lakhs and an average annual turnover not exceeding Rs. 2 Crore for a period of 3 consecutive financial years immediately preceeding the financial years concerned therefore no comment is required on the clause relating to Internal Audit System.

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For Kapil Cotex Limited

Radheshyam Bager



Kapil Cotex Limited

16. As informed by the management that the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 (1 of 1956).

17. As informed by the management, the Provident Fund Act and E.S.I.C. Provisions are not applicable to the Company.

18. No undisputed accounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise duty were outstanding as at 31st March, 2001 for a period of more than 6 months from the date they became payable.

19. According to the information and explanations given to us no personal expenses have been charged to the revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.

20. The provisions of Clause (o) of Sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 are not applicable to the company.

Place : Mumbai

Date : 11 SEP 2001



FOR M.S.VYAS & ASSOCIATES,
Chartered Accountants,

D.D. Bohra
(D.D. Bohra)
Partner

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For Kapil Cotex Limited

Radheshyam Bagri
Director

BALANCE SHEET AS ATSOURCES OF FUNDS:Schedules

Share Capital	A	24,00,000.00
Reserve & Surplus	B	8,59,173.72
Unsecured Loan	C	4,75,000.00

Application of Funds:

Fixed Assets:	D	4,17,567.52
Gross Block		
Less: Depreciation		3,54,453.52

Net Block		

Current Assets:

Loans & Advances	E	48,35,399.05
Less: Current Liabilities & Provision	F	11,64,339.33

Net : Current Assets

Place : Mumbai

Date : 11 SEP 2001



AS PER OUR REPORT OF 1

FOR M.S.VIAS & ASSO
Chartered Accountant

(Signature)
(D.D. BOHRA)
Partner.

ED, MUMBAI

31ST M A R C H, 2001

As at 31.03.2001

As at 31.03.2000

24,00,000.00

7,24,096.37

-

37,34,173.72

31,24,096.37

=====

=====

4,16,067.52

3,30,317.52

63,114.00

85,750.00

51,25,236.85

20,86,890.48

36,71,059.72

30,38,346.37

37,34,173.72

31,24,096.37

=====

=====

EVEN DATE

FOR AND ON BEHALF OF BOARD OF DIRECTORS,

CIATES,
nts,

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~~Radheshyam Bagri~~ Cotex Limited.

Radheshyam Bagri
Director.

D. D. Mohi
Radheshyam Bagri

Directors.

PROFIT & LOSS ACCOUNT FOR THE YEARIncome:SchedulesSales:

Cloth (Dhoti)

Yarn

Other Income:

Interest Received

Commission Received

Quantity Rebate

Miscellaneous Income

Accretion/Decretion of Stock

G

Expenditure:

Cost of Production

H

Office & Administration Expenses

I

Selling & Distribution Expenses

J

Depreciation

Profit before Tax

Provision for Taxation

Profit After Tax

Surplus brought forward

Profit available for appropriation

Appropriations:

Income Tax Adjustment of earlier years.

Balance Carried to Balance Sheet.

Place : Mumbai



AS PER OUR REPORT
FOR M.S.VIAS & A
Chartered Accou

(D.D. BOHRA)
Partner.

MUMBAI

ENDED 31ST MARCH, 2001.

Year ended 31.03.2001

Year ended 31.03.2000

15,68,950.39

24,95,531.37

(2,662.00

1,70,696.00

3,56,926.00

3,02,007.00

1,98,806.00

2,19,089.00

2,41,820.00

2,30,955.00

24,971.00

30,837.00

17,685.55

(59,023.75)

24,71,820.94

33,90,091.62

=====

=====

13,99,638.45

23,19,912.09

6,99,469.75

6,86,791.85

1,24,250.39

1,17,943.37

24,136.00

38,771.00

22,37,494.59

31,63,418.31

2,34,326.35

2,26,673.31

95,000.00

85,000.00

1,39,326.35

1,41,673.31

7,29,165.37

5,87,492.06

8,68,491.72

7,29,165.37

(9,318.00)

(5,069.00)

8,59,173.72

7,24,096.37

=====

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IF EVEN DATE
SOCIATES,
tants,

FOR AND ON BEHALF OF BOARD OF DIRECTORS, CERTIFIED TRUE COPY

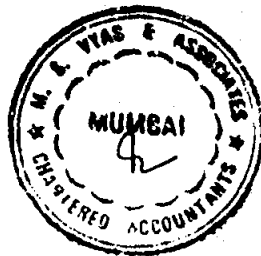
D. J. Mohb
Radheshyam Bagri

 Kapil Cores Limited.

Radheshyam Bagri
Director

Schedules forming part of Balance Sheet.

<u>Schedule 'A'</u>	<u>31.03.2001</u>	<u>31.03.2000</u>
<u>Share Capital:</u>		
<u>Authorised:</u>		
2,50,000 Equity Shares of Rs. 10/- each.	25,00,000.00	25,00,000.00
	=====	=====
<u>Issued, Subscribed & Paid up:</u>		
2,40,000 Equity Shares of Rs. 10/- each.	24,00,000.00	24,00,000.00
	=====	=====
<u>Schedule 'B'</u>		
<u>Reserve & Surplus:</u>		
Surplus in Profit & Loss Account.	8,59,173.72	7,24,096.37
	=====	=====
<u>Schedule 'C':</u>		
<u>Unsecured Loan:</u>		
<u>From Directors:</u>		
Shri. Daulal Mohta	3,55,000.00	-
Smt. Indudevi Mohta	1,20,000.00	-
From Others	-	-
	-----	-----
	4,75,000.00	-
	=====	=====



For Kapil Cotex Limited.

Radheshyam Bagri

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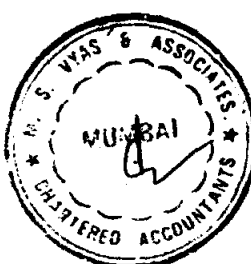
For Kapil Cotex

Radheshyam Bagri

Director

GROSS BLOCK

S.No.	Description	Rate of Dep.	Balance as on 1.4.2000	Addition during the year.	Deduction during the year.
1.	Motor Car	20%	1,08,939.00	-	-
2.	Furniture & Fixtures	10%	37,658.52	-	-
3.	Machineries	25%	10,070.00	-	-
4.	Generator	25%	42,250.00	-	-
5.	Computors	60%	1,46,400.00	-	-
6.	Fax Machine	25%	31,550.00	-	-
7.	Weight Machine	25%	11,200.00	-	-
8.	Mobile Telephone	25%	28,000.00	-	-
9.	Cycle	25%	-	1,500.00	-
				(24.11.2000)	
Total Rs.			4,16,067.52	1,500.00	-



DEPRECIATION

NET BLOCK

Balance as on 31.03.2001.	As on 1.4.2000	For the year.	Upto 31.3.2001.	As on 31.3.2001	As on 31.3.2000
1,08,939.00	1,01,452.00	1,497.00	1,02,949.00	5,990.00	7,487.00
37,658.52	22,081.52	1,558.00	23,639.52	14,019.00	15,577.00
10,070.00	8,889.00	295.00	9,184.00	886.00	1,181.00
42,250.00	23,452.00	4,699.00	28,151.00	14,099.00	18,798.00
1,46,400.00	1,31,479.00	8,953.00	1,40,432.00	5,968.00	14,921.00
31,550.00	16,758.00	3,698.00	20,456.00	11,094.00	14,792.00
11,200.00	8,542.00	665.00	9,207.00	1,993.00	2,658.00
28,000.00	17,664.00	2,584.00	20,248.00	7,752.00	10,336.00
1,500.00	-	187.00	187.00	1,313.00	-
4,17,567.52	3,30,317.52	24,136.00	3,54,453.52	63,114.00	85,750.00

For Kapil Cotex Limited
 Dr. J. D. Mohl
 Radheshyam Bagri
 Director

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 For Kapil Cotex Limited
 Radheshyam Bagri
 Director

NOTES FORMING PART OF ACCOUNTS:Significant Accounting Policies:

The Accounts have been prepared on historical basis and conform to the generally accepted accounting policies.

1. Basis of Accounting:

For recognition of Income & Expenses, the Company adopts the accrual basis in preparation of accounts except the time, the amounts of which cannot be ascertained with reasonable accuracy.

2. Fixed Assets:

- a) Fixed Assets are shown at historical cost less accumulated depreciation .
- b) Depreciation on the assets is provided on the written down value methods at the rates prescribed in the Income Tax Act, 1961 on written down value basis.

The impact of non compliance with rates specified in Schedule XIV of the Companies Act, 1956 on the profit for the current year has not been ascertained.

3. Valuation of Inventories:

<u>Item</u>	<u>Mode of valuation</u>
Yarn	At cost
Grey Cloth	At cost
Finished goods	At cost or net realisable value whichever is less.

4. Retirement benefits:

No provision has been made for retirement benefits like gratuity, Leave encashment , which is charged to revenue as and when the liability arises. The impact of this non-provision on the current year's profit has not been estimated.

5. Research and development expenditure for the year, 2000-2001 - Nil
1999-2000 - Nil



For Kapil Cotex Limited.

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For Kapil Cotex Limited.Radheshyam Bagri
Director

Kapil Cotex Limited

6. Directors have waived their remuneration and sitting fees.

7. Remuneration to Auditors:

(Amount in Rs.)

	<u>Current year</u>	<u>Previous year</u>
Statutory Audit fees	7,875.00	7,875.00
Tax Audit Fees	7,875.00	7,875.00

8. Additional information pursuant to Part -II of Schedule -VI of Companies Act, 1956.

i) Expenditure in Foreign currencies - Nil

ii) Opening Stock, Closing Stock, Turnover of finished Goods, Licenced capacity, installed capacity (As furnished by the Management).

Class of goods	<u>2000-2001</u>		<u>1999 - 2000</u>	
	Qty.in Pair	Value	Qty. in Pair	Value
A) Licenced capacity	N.A.	-	N.A.	-
B) Installed Capacity	N.A.	-	N.A.	-
C) Op.Stock (Dhoti)	2371.00	228178.60	3459.50	287202.35
D) Production/Purchase for resale.	11015.50	-	20982.50	-
E) Turnover (Dhoti)	11152.50	-	22071.00	2495531.37
F) Closing Stock(Dhoti)	2234.00	245864.00	2371.00	228178.60

iii) <u>Raw Material consumed.</u>	<u>Qty.</u>	<u>Value (Rs.)</u>
Yarn	10822	20,41,973.00

9. Previous year figures have been re-grouped/re-arranged wherever considered to make them comparable with the current year's figures.

10. No contingent liability has been ascertained.



For Kapil Cotex Limited

Radheshyam Bageri
Director

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For Kapil Cotex Limited.

Radheshyam Bageri

Kapil Cotex Limited

<u>11. CIF Value of Imports</u>	<u>2000-2001</u>	<u>99-2000</u>
Raw materials	Nil	Nil
Stores & Spares	Nil	Nil
Capital Goods	Nil	Nil
<u>12. Foreign Currency transactions:</u>		
Expenditure	Nil	Nil
Income/earnings	Nil	Nil
13. Loans and advances are subject to confirmation.		
14. Additional information pursuant to Part IV of Schedule IV of the Companies Act, 1956.		

BALANCE SHEET ABSTRACT & COMPANY'S GENERIC BUSINESS PROFILE.I. Registration details:

Registration No. : 11-031114
States code : 11
Balance Sheet date : March 31, 2001

II. Capital Raised during the year.

Public Issue : Nil
Right Issue : Nil
Bonus Issue : Nil
Private Placement : Nil

III. Position of Mobilisation and deployment of Funds.

(Rs. in thousand)

Total Liabilities : 3734 Total Assets : 3734
Sources of Funds:
Paidup Capital : 2400
Reserve & Surplus : 859
Unsecured Loan : 475
Secured loans : -



For Kapil Cotex Limited
Radheshyam Bagru
Director
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Kapil Cotex Limited

Kapil Cotex Limited

Schedule - K

Application of funds:

Net Fixed Assets	: 63
Investments	: Nil
Net Current Assets	: 3671
Misc. Expenditure	: Nil
Accumulated losses	: Nil

IV. Performance of Company.

Turnover	: 1631
Total Expenditure	: 1398
Profit before tax	: 234
Profit after tax	: 139
Earning per Share (in Rs.)	: 0.58
Dividend Rate	: Nil

V. Generic name of Three Products/Services of Company.

<u>Item Code No.(ITC Code):</u>	<u>Product Description</u>
Code not available	Not available.

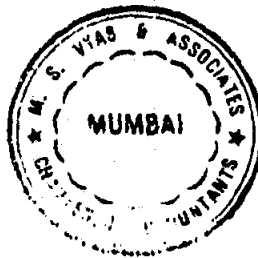
As per our report of even date attached.

FOR M.S.VYAS & ASSOCIATES,
Chartered Accountants,

Z. Bohra
(D.D. BOHRA)
Partner.

Place : Mumbai

Date : 1 SEP 2001

FOR AND ON BEHALF OF
BOARD OF DIRECTORS,

Now -
Radheshyam Bagri

(Director)

(Director)

CERTIFIED TRUE COPY

~~For Kapil Cotex~~

Radheshyam Bagri
Director

KAPIL COTEX LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2001.

	<u>Year ended</u> <u>31.03.2001</u>	<u>Year ended</u> <u>31.03.2000</u>
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	2,34,326	2,26,673
Adjustment for		
Depreciation Provided	24,136	38,771
Interest paid	Nil	Nil
Investment Income		
Interest	(3,56,926)	(3,02,007)
	-----	-----
OPERATING PROFIT BEFORE		
WORKING CAPITAL CHANGES	(98,464)	(36,583)
Adjustment for		
Inventories	(12,11,565)	6,76,618
Debtors	2,42,273	3,14,854
Other Current Assets (Excl. cash & Bank Balance)	-	-
Loans & Advances	11,99,358	(9,74,915)
Current Liabilities &		
Provisions	(9,32,551)	2,22,132
	-----	-----
Cash Generated from operation	(8,00,949)	2,02,126
Interest paid	Nil	Nil
Direct Taxes paid (Net)	(89,091)	(96,988)
	-----	-----
CASH FLOW BEFORE EXTRA		
ORDINARY ITEMS.	(8,90,040)	1,05,138
Extra ordinary Items:		
Previous period items	(9318)	(5,069)
	-----	-----
Net Cash flow from operating		
Activities (A)	(8,99,358)	1,00,069

For Kapil Cotex Limited.

Radheshyam Bagri
Director

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For Kapil Cotex Limited

31.3.2001

KAPIL COTEX LIMITED

<u>B. CASH FLOW FROM INVESTING:</u> <u>ACTIVITIES.</u>	<u>31.03.2001</u>	<u>31.03.2000</u>
Purchase of Fixed Assets	(1500)	(31,500)
Sale of Fixed Assets	-	Nil
Fixed Assets under installation	-	Nil
Purchase of Investment	Nil	Nil
Sale of Investment	Nil	Nil
Interest recd.on Investments.	3,56,926	3,02,007
Net Cash received from Investing Activities. 'B'	3,55,426	2,70,407
<u>C. CASH FLOW FROM FINANCING ACTIVITIES:</u>		
Issue of Share Capital	Nil	Nil
Proceeds from Long Term Borrowing	Nil	Nil
Proceeds from Short term Borrowing	Nil	Nil
Repayment of Long Term borrowing	Nil	Nil
Repayment of Short Term borrowing	4,75,000	(3,00,000)
Grant for R & D Project	Nil	Nil
Net Cash used in Financing activities. 'C'	4,75,000	(3,00,000)
Net Decrease in Cash or cash Equivalents A + B + C	68,932	70,476
Cash & Cash Equivalents as at XXXX 1st April,2000 (Op. Balance)	2,04,519	1,34,043
Cash & Cash Equivalents as at 31st March,2001 (Closing Balance)	1,35,587	2,04,519

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Mumbai

Dated : 1 SEP 2001

Gohel

Radheshyam Bagri

Directors.

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For Kapil Cotex Limited

Radheshyam Bagri
Director