

# **EFFINGO TEXTILE & TRADING LIMITED**



**30<sup>th</sup> ANNUAL REPORT  
FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2015**

# **Textile Industry**



# **EFFINGO TEXTILE & TRADING LIMITED**

## **DIRECTORS:**

Ms. Priya Raval- MD & CEO  
Mr. Gaurav Bahety- Chairman & CFO  
Mr. Rakesh Kumar- Independent Director  
Mr. Yogesh Kumar - Independent Director

## **BANKERS:**

**AXIS BANK LTD**

## **AUDITORS:**

M/S S.B.JAJOO & CO.

## **REGISTERED OFFICE:**

Office No.B-51,5<sup>th</sup> Floor,Gurudev Apartment,  
R.C.Marg,Chembur naka,  
Chembur,Mumbai-400071.

## **REGISTRAR AND SHARE TRANSFER AGENT**

Abhipra Capital Ltd , (bm-1),  
A-387, Abhipra Complex,  
Dilkhush Industrial Area,  
G. T. Karnal Road, Azadpur,Delhi,  
Delhi -110033  
Tele. 011 -42390725  
Fax: 011-42390830.  
E-Mail: Jeewatrai@Abhipra.Com

## **LISTING**

The Bombay Stock Exchange Ltd

**NOTICE**

**NOTICE** is hereby given that the 30<sup>th</sup> Annual General Meeting of the shareholders of the Company will be held on 29<sup>th</sup> September, 2015 at 11.00 AM at The Avenue Thakur complex, Western Express Highway, Kandivli-(East), Mumbai – 400101, India to transact the following business:

**ORDINARY BUSINESS:**

- 1 To receive, consider and adopt the Audited Balance Sheet as at and the Audited Profit and Loss Account of the Company for the period ended 31st March, 2015 together with Directors' Report and Auditors' Report thereon.
- 2 To consider and if thought fit, to pass with or without modifications, the following, resolution as an Ordinary Resolution:

**"RESOLVED THAT** Ms. Priya Rawal (DIN: 05108446), a Director liable to retire by rotation pursuant to section 152(6) of the Companies Act 2013, who seek re-election, be re-appointed as the director of the Company."

- 3 To ratify the appointment of M/s S.B.JAJOO & CO, Chartered Accountants, as Statutory Auditors of the Company by passing following resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the consent of the members of the Company be and is, hereby, accorded to ratify the appointment of M/s S.B.JAJOO & CO, Chartered Accountants, as the Statutory Auditor of the Company for the financial year ending 31<sup>st</sup> March, 2016, as made in the 29<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014.

**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass following resolution, with or without modification, as

**ORDINARY RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Rakesh Kumar (DIN: 01973690), who was appointed as an Additional Director of the Company by the Board of Directors in the meeting held on 31<sup>st</sup> December 2014, be and is, hereby, appointed as Independent Director of the Company for the period of 5 years.

**RESOLVED FURTHER THAT** pursuant to Sections 149, 152, 164, 165, 179 (3) & 184 of the Companies Act, 2013 read with Rules 8 & 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the consent for appointment as Director of the Company given in form DIR-2, along with declaration that she is not disqualified from being appointed as Director in DIR-8, meets the criteria for independence as prescribed in the Act, will abide by the code of conduct prescribed in Schedule IV to the act and that, post – appointment, her number of directorships shall be within

the limits prescribed under the Act and disclosure of interest, as laid before the meeting and duly initialed by the Chairman for the purpose of identification, be and is, hereby, taken note of.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is, hereby, authorized to do or delegate the authority to do, all such acts, deeds, things and sign all such documents, drafts, e-forms, as may be deemed necessary to give effect to this resolution.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Yogesh Kumar (DIN: 02774016), who was appointed as an Additional Director of the Company by the Board of Directors in the meeting held on 31<sup>st</sup> December, 2014, be and is, hereby, appointed as Independent Director of the Company for the period of 5 years.

**RESOLVED FURTHER THAT** pursuant to Sections 149, 152, 164, 165, 179 (3) & 184 of the Companies Act, 2013 read with Rules 8 & 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the consent for appointment as Director of the Company given in form DIR-2, along with declaration that she is not disqualified from being appointed as Director in DIR-8, meets the criteria for independence as prescribed in the Act, will abide by the code of conduct prescribed in Schedule IV to the act and that, post – appointment, her number of directorships shall be within the limits prescribed under the Act and disclosure of interest, as laid before the meeting and duly initialed by the Chairman for the purpose of identification, be and is, hereby, taken note of.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is, hereby, authorized to do or delegate the authority to do, all such acts, deeds, things and sign all such documents, drafts, e-forms, as may be deemed necessary to give effect to this resolution.

**By Order of the Board of Directors  
For Effingo Textile & Trading Limited  
Sd/-**

**Priya Rawal  
(Managing Director)**

**Place: Mumbai  
Date: 02<sup>nd</sup> September 2015**

**NOTES:**

1. A member entitled to attend and vote on a poll is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. a person can act as proxy on behalf of members upto and not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company. further, a member holding more than ten percent (10%) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of holding the meeting. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting.
2. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the company will remain closed from 23<sup>rd</sup> September 2015 to 29<sup>th</sup> September 2015 both days inclusive.
3. Members are requested to address all communication regarding transfer of shares, change of address etc. directly to the Share Transfer Agent of the Company, **Abhipra Capital Limited**, Abhipra Complex, Dilkhush Industrial Estate, A 387, G T Karnal Road, Azadpur, Delhi – 110033 and in case their shares are held in the dematerialized form, this information should be passed on to their respective Depository Participants without any delay.
4. Members desirous of availing nomination facility may send their nomination in the prescribed form. Nomination forms can be obtained from the Registrars/ Company.
5. Members desirous of obtaining any information concerning the account and operations of the Company are requested to address their queries to the Chairman, so as to reach the Registered Office of the Company at least seven days before the date of the Meeting, to enable the Company to make available the required information at the Meeting, to the extent possible.
6. On dematerialisation of shares, the nomination registered by the Company automatically stands cancelled. In the case of shares held in electronic (dematerialised) form, the Members are given an option of nomination at the time of opening a demat account. If no nomination is made at the time of opening the demat account, they should approach their respective Depository Participant.

We, therefore, appeal to the members to register their name in getting the documents in electronic mode by sending an e mail giving their Registered Folio No. and/or DP Id/Client Id to the dedicated e mail address at [maltitextile@yahoo.com](mailto:maltitextile@yahoo.com)

7. Members/Proxies are requested to bring the Attendance Slip sent with this Notice duly filled-in for attending the meeting.
8. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 forms part of this Notice hereto.
9. Members are requested to bring their copy of Annual report to the meeting.
10. In terms of circular no.MRD/DoP/Cir-05/2010 dated 20<sup>th</sup> May, 2009 issued by Securities and Exchange Board of India (SEBI) it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its RTA for registration of transfer of shares. Shareholder is requested to furnish copy of PAN card at the time of transferring their physical shares.

11. As required by Clause 49 of the Listing Agreement, the particulars of Directors who are proposed to be appointed are given below:

Name	Mr. Gaurav Bahety	Ms. Priya Rawal	Mr. Rakesh Kumar	Mr. Yogesh Kumar
Age	25 years	43 years	39 years	36 years
Qualification	B.Com	M.Com	B.com	B.Com
Nature of Expertise	Account & Finance	Marketing & Business Development	Human Resources Department	Legal Compliance
No of years of Experience in the industry	4 years	18 years	14years	10yeras
Name of the Companies in which also holds Directorship	Nil	Nil	Nil	Nil
Name of the Companies in committees of which also holds Membership/ Chairmanship	Nil	Nil	Nil	Nil
Shareholding in the Company	Nil	Nil	Nil	Nil

#### E voting:

1. According to section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 e-voting is mandatory for all listed Companies or Companies having Shareholders not less than one thousand.
2. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (I) Limited (CDSL):
3. A member may exercise his vote at any general meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.
4. During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on a fixed date, may cast their vote electronically.
5. The e-Voting shall remain open from 26<sup>th</sup> September 2015, 09.A.M. till 28<sup>th</sup> September 2015, 05.P.M.
6. \*E-Voting shall be completed three days prior to the date of Annual General Meeting which is scheduled to be held on 29<sup>th</sup> September, 2015.
7. The Board of Directors at their meeting have appointed Mr. Harsh Vijay Gor, Proprietor of H V Gor & Co, Practicing Company Secretaries as the scrutinizer for e-Voting to unblock the votes in favour

or against, if any, and to report forthwith to the Chairman. The scrutinizer will be responsible to conduct e-Voting in a fair and transparent manner.

8. Vote once casted by the member cannot be changed/ altered.

**Process of E voting:**

1. The voting period begins on 26<sup>th</sup> September 2015, 09.A.M and ends on 28<sup>th</sup> September 2015, 05.P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
4. Click on "Shareholders" tab.
5. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
8. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

9. After entering these details appropriately, click on "SUBMIT" tab.
10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential

11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
12. Click on the EVSN for the relevant Effingo Textile & Trading Limited on which you choose to vote.
13. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
16. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
18. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)



**STATEMENT ANNEXED TO THE NOTICE**  
**(Pursuant to section 102 of the Companies Act, 2013)**

**ITEM NO.4**

Mr. Rakesh Kumar (DIN: 01973690) was appointed as Independent Director in the meeting of Board of Directors on 31<sup>st</sup> December 2014 for a period of five years, subject to approval of shareholders. The Nomination and Remuneration Committee has identified Mr. Rakesh Kumar (DIN: 01973690) as the qualified candidate for the post of Director and Independent Director and has recommended his appointment to the Board of Directors. The Board of Directors recommends to appoint Mr. Rakesh Kumar (DIN: 01973690) as the Director vide Item No. 4. Further, the Independent Director shall not be liable to retire by rotation.

The Board recommends the proposed resolution for your approval as an Ordinary resolution. Except Mr. Rakesh Kumar, no other director is interested in the resolution.

**ITEM NO.5**

Mr. Yogesh Kumar (DIN: 02774016) was appointed as Independent Director in the meeting of Board of Directors on 31<sup>st</sup> December, 2014 for a period of five years, subject to approval of shareholders. The Nomination and Remuneration Committee has identified Mr. Yogesh Kumar (DIN: 02774016) as the qualified candidate for the post of Independent Director and has recommended his appointment to the Board of Directors. The Board of Directors recommends to appoint Mr. Yogesh Kumar (DIN: 02774016) as the Independent Director. Further, the Independent Director shall not be liable to retire by rotation.

The Board recommends the proposed resolution for your approval as an Ordinary resolution. Except Mr. Yogesh Kumar, no other director is interested in the resolution.

**Registered Office:**  
**Office no.B-51,5<sup>th</sup> Flr,Gurudev Apt**  
**R.C.Marg,Chembur Naka,**  
**Chembur-400071.**  
**Dated :02<sup>nd</sup> September 2015**

**For Effingo Textile & Trading Ltd**  
**Sd/-**  
**Priya Rawal**  
**(Director)**

**DIRECTORS' REPORT****1. INTRODUCTION**

Your Directors are elated in presenting the 30<sup>th</sup> Annual Report of the Company along with the Audited Statement of Accounts for the year ended as on 31st March, 2015.

The Annual report presented to you pertains to financial year before April 2015 so the contents within are governed by the relevant provisions/schedules/rules of the Companies Act, 2013, in compliance with General Circular No. 08/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs.

**2. FINANCIAL RESULTS****(Amount in Rs)**

<b>Particulars</b>	<b>Current Financial Year (2014-2015)</b>	<b>Previous Financial Year (2013-2014)</b>
Profit/(Loss)Before Depreciation and Tax	53,56,828	6440010
Depreciation	3,566	-
Profit / (Loss) before Tax	53,53,263	6440010
Provision for Tax	16,97,112	20,00,000
Profit/ (loss) after Tax	36,56,150	44,40,010
Balance Brought forward	(9,72,028)	(5,552,371)
Add : Excess / ( short) Provision of Income Tax	(54698)	140133
Balance carried to Balance Sheet	26,29,224	(972228)

**3. BUSINESS OVERVIEW**

Due to adverse market situations, the profit of the Company has declined from Rs. 44,40,010 to Rs. 36,56,150 .The Company's policy of management has provided cushion effect to the adversities of the market on the performance of Company. The Board of Directors looks towards the future performance with a positive approach.

**4. DIVIDEND**

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and with a view to conserve the resources, they do not recommend any dividend for the year ended 31st March, 2015.

**5. CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable.

**6. STATUTORY AUDITORS**

M/s S.B.JAJOO & CO, Chartered Accountants, (Firm Registration Number: 125915W) were appointed as the Statutory Auditors of the company last year in AGM held on 29<sup>th</sup> September 2015, for five consecutive years, subject to ratification at every Annual General Meeting. Accordingly, their appointment is proposed to be ratified in the ensuing AGM. They have given their eligibility & consent for the proposed ratification.

**7. SECRETARIAL AUDITORS**

M/s. H V Gor & Co, Practicing Company Secretaries have been appointed in the Board Meeting held on 30<sup>th</sup> March, 2015 as the Secretarial Auditor of the Company u/s 204 of the Companies Act, 2013 to conduct Secretarial Audit of the matters of the Company and report thereof. The Secretarial Auditor's Report has been annexed to the Board Report under Annexure I.

**8. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There was no qualification, reservation or adverse remark made by the Auditors in their report. The explanations made by the Board relating to the qualifications, reservations, adverse remarks made by the Practicing Company Secretary in his Secretarial Audit Report are furnished as under:

1. The Company has been inviting the applications for the post of Company Secretary in whole time employment of the Company by issuing classifieds in the newspapers. However, the Company has failed to receive application from a suitable candidate for the aforementioned responsibilities.

**9. DIRECTORS**

Mr. Manish Jain, Mr. Rajendra Prasad Gogawat & Mr. Anil Tondon resigned from the Board of Directors of the Company due to pre-occupancies. The Board of Directors of the Company accepted their resignation and relieved them from their responsibilities towards the Company with effect from 31<sup>st</sup> December, 2014

Mr. Rakesh Kumar & Mr. Yogesh Kumar were appointed as the Additional Independent Directors of the Company u/s 149 read with 161 of the Companies Act, 2013.

After the aforesaid changes in the structure of the Board during the year, the Board of Directors of the Company stands as follows as on date:

Name	Designation	Date of Appointment	DIN
<b>Executive Directors</b>			
Ms. Priya Rawal	Managing Director and CEO	31 <sup>st</sup> December 2012	05108446
Mr. Gaurav Bahety	Whole Time Director & CFO	31 <sup>st</sup> August, 2013	05167731
<b>Non – Executive &amp; Independent Directors</b>			
Mr. Rakesh Kumar	Independent Director	31 <sup>st</sup> December, 2014	01973690
Mr. Yogesh Kumar	Independent Director	31 <sup>st</sup> December, 2014	02774016

**10. DECLARATION BY THE INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**11. BOARD MEETINGS**

During the financial year under review, the Board of Directors met Six times.

**12. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**13. INFORMATION PURSUANT TO RULE 5 (2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**14. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15.

No of complaints received:	Nil
No of complaints disposed off:	Nil

**15. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- b. They have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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 affairs of the Company as at 31<sup>st</sup> March, 2015 and of its profit for the year ended on that date;

- c. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. They have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2015 on a 'going concern' basis; and
- e. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There was no loan given or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

**17. DISCLOSURES OF AMOUNTS, IF ANY, TRANSFER TO ANY RESERVES.**

It is not proposed to carry any amount to any reserves from the profits of the Company. Hence, disclosure under Section 134 (3) (j) of the companies act, 2013 is not required.

**18. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

**19. ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION:**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are not required to be furnished considering the nature of activities undertaken by the Company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

**20. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT**

The Company has developed & implemented Risk Management Policy. However, Company has not come across any element of risk which may threaten the existence of the Company.

**21. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE**

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

**22. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014:**

The Company has an adequate Internal financial control system, commensurate with the size of its business operations.

**23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013**

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

**24. EXTRACT OF ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "Annexure - MGT-9".

**25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Audit Committee consists of the following members;

a. Mr. Rakesh Kumar	-	Independent Director	-	Chairman
b. Mr. Yogesh Kumar	-	Independent Director	-	Member
c. Mr. Gaurav Bahety	-	Executive Director & CFO	-	Member

The above composition of the Audit Committee consists of Independent Directors viz., Mr. Yogesh Kumar and Mr. Rakesh Kumar who form the majority.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

**26. CORPORATE GOVERNANCE:**

Your Company is committed to adopting the best Corporate Governance practices. It believes that proper corporate governance is not just a regulatory compliance nut also a facilitator for enhancement of stakeholder's value. Reports on Corporate Governance and Management Discussions & Analysis are annexed and form part of this report.

**27. APPRECIATION AND ACKNOWLEDGEMENT**

The Board of Directors wish to place on record their appreciation for the co-operation and support of the Company's Bankers, its valued customers, employees and all other intermediaries concerned with the Company's business.

Your directors are grateful towards all members for supporting and sustaining us during the intricate days. We look forward to your continued support and reiterate that we are determined to ensure that the plans are successfully implemented.

**By Order of the Board of Directors  
For Effingo Textile & Trading Limited  
Sd/-  
Priya Rawal  
(Managing Director)**

**Place: Mumbai**

**Date: 02<sup>nd</sup> September 2015**

## MGT-9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31<sup>st</sup> March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

CIN	:	L17110MH1985PLC035398
Registration Date	:	18/02/1985
Name of the Company	:	EFFINGO TEXTILE & TRADING LIMITED
Category / Sub-Category of the Company	:	Company having share capital
Address of the Registered office and contact details	:	B-51,5th Floor, Gurudev Apartment, R.C.Marg,Chembur Naka, Chembur,Mumbai-400071.
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Abhipra Capital Ltd ,(BM-1), A-387, Abhipra Complex, Dilkhush Industrial Area, G. T. Karnal Road, Azadpur,Delhi,110033. Tel no.011- 42390909, Fax no.011- 23414503 Email:- rta@abhipra.com Webmail:- www.abhipra.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Wholesale of Textiles, Fabrics, yarn, Household linen, Articles of Clothing	46411	100%

## PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding/ subsidiary associate	% of shares held	Applicable section
1	N.A	N.A	N.A	N.A	N.A
2	N.A	N.A	N.A	N.A	N.A

**I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):****i. Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1280800	N.A	1280800	1.16	897400	N.A	897400	0.82	0.34
b) Central Govt	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c) State Govt(s)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
d) Bodies Corp.	2250000	N.A	2250000	2.05	2250000	N.A	2250000	2.05	0.00
e) Banks / FI	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
f) Any other	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Sub-total(A)(1):	3530800	N.A	3530800	3.21	3147400	N.A	3147400	2.86	0.34
(2) Foreign									
a) NRIs - Individuals	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
b) Other – Individuals	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c) Bodies Corp.	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
d) Banks / FI	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
e) Any other	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Sub-total (A)(2):									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3530800	N.A	3530800	3.21	3147400	N.A	3147400	2.86	0.35
B. Public Shareholding	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
(1) Institutions	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
a) Mutual Funds	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
b) Banks / FI	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c) Central Govt	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
d) State Govt(s)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
e) Venture Capital Funds	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
f) Insurance Companies	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
g) FIIs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
h) Foreign Venture Capital Funds	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
i) Others (specify)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Sub-total (B)(1):	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A



(2)Non-Institutions									
a) Bodies Corp.	14378839	354000	14732839	13.40	23714447	354000	24068447	21.89	8.49
i) Indian	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
ii) Overseas	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
b) Individuals	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2589441	44400	2633841	2.40	1436501	44400	1480901	1.35	1.05
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	73958902	4650000	78608902	78.57	67634145	1250000	68884145	62.64	15.93
c) Others/HUF Clearing Members	10453618	N.A	10453618	9.51	12379107	N.A	12379107	11.26	1.75
Sub-total(B)(2):									
Total Public Shareholding (B)=(B)(1)+(B)(2)	101380800	5048400	106429200	100	105164200	1648400	106812600	97.14	2.86
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	104911600	5048400	109960000	100	108311600	1648400	109960000	100	2.86

## ii. SHAREHOLDING OF PROMOTERS:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	MANISH JAIN	1079680	0.98	N.A	779680	0.71	N.A	N.A
2	VINEET JAIN	45200	0.04	N.A	45200	0.04	N.A	N.A
3	ANJU JAIN	155920	0.14	N.A	72520	0.07	N.A	N.A
4	DAGA INSURANCE CONSOL PVT LTD	2250000	2.05	N.A	2250000	2.05	N.A	N.A
	Total	3530800	3.21	N.A	3147400	2.86	N.A	N.A

iii. **CHANGE IN PROMOTERS' SHAREHOLDING** ( PLEASE SPECIFY, IF THERE IS NO CHANGE):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	N.A	N.A	N.A	N.A
	At the End of the year	N.A	N.A	N.A	N.A

iv. **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Top 10 Shareholders				
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	N.A	N.A	N.A	N.A
	At the End of the year ( or on the date of separation, if separated during the year)	N.A	N.A	N.A	N.A

v. **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Directors and KMP				
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	N.A	N.A	N.A	N.A
	At the End of the year	N.A	N.A	N.A	N.A

II **INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	N.A	N.A	N.A	N.A
i) Principal Amount	N.A	N.A	N.A	N.A
ii) Interest due but not paid	N.A	N.A	N.A	N.A

iii) Interest accrued but not due	N.A	N.A	N.A	N.A
Total (i+ii+iii)	N.A	N.A	N.A	N.A
Change in Indebtedness during the financial year	N.A	N.A	N.A	N.A
Addition	N.A	N.A	N.A	N.A
Reduction	N.A	N.A	N.A	N.A
Net Change	N.A	N.A	N.A	N.A
Indebtedness at the end of the financial year	N.A	N.A	N.A	N.A
Principal Amount	N.A	N.A	N.A	N.A
ii) Interest due but not paid	N.A	N.A	N.A	N.A
iii) Interest accrued but not due	N.A	N.A	N.A	N.A
Total (i+ii+iii)	N.A	N.A	N.A	N.A

### III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
		Priya Rawal	_____	_____	_____	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	300000/-	N.A	N.A	N.A	300000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	N.A	N.A	N.A	N.A
2	Stock Option	N.A	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A	N.A
4	Commission	N.A	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (A)	N.A	N.A	N.A	N.A	N.A
	Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A

#### B. REMUNERATION TO OTHER DIRECTORS:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		_____	_____	_____	_____	
	1. Independent Directors	N.A	N.A	N.A	N.A	
	Fee for attending board / committee meetings			N.A	N.A	N.A
	Commission	N.A	N.A	N.A	N.A	N.A
	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (1)	N.A	N.A	N.A	N.A	N.A
	2. Other Non-Executive Directors	N.A	N.A	N.A	N.A	N.A
	Fee for attending board / committee meetings	N.A	N.A	N.A	N.A	N.A
	Commission	N.A	N.A	N.A	N.A	N.A

	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (2)	N.A	N.A	N.A	N.A	N.A
	Total (B)=(1+2)	N.A	N.A	N.A	N.A	N.A
	Total Managerial Remuneration	N.A	N.A	N.A	N.A	N.A
	Overall Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Vipul Dangi CEO	Company Secretary	CFO	Total
1	Gross salary	300000/-	N.A	N.A	300000/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	N.A	N.A	N.A
	N.A	N.A	N.A	N.A	N.A
2	N.A	N.A	N.A	N.A	N.A
3	N.A	N.A	N.A	N.A	N.A

## IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
<b>B. DIRECTORS</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A

For Effingo textile &amp; Trading Ltd

SD/-  
Mrs.Pirya Rawal  
(MD & CEO)

Date:02<sup>nd</sup> September 2015  
Place:Mumbai

**REPORT ON CORPORATE GOVERNANCE****A. MANDATORY REQUIREMENTS:****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The New Government established in India emphasizes more on Governance, transparency, honesty towards its people. On the similar grounds Your Company Effingo Textile & Trading Limited emphasizes on Corporate Governance Policy philosophy for better understanding of Company's functions by the Stakeholders. In your Company the philosophy of Corporate Governance stems out from our strong belief in maintaining, improving and enhancing the investor's confidence towards the Company. It is this conviction that helps the Company in maintaining sound ethical practices such as transparency, openness, fairness, professionalism in operations and timely disclosures towards stakeholders. The Company strives towards well being of the Stakeholders and investors by inculcating well structured and well ensured systems and procedures to fulfill its oversight responsibilities and to provide management the strategic direction it needs to create long term shareholders value

**2. BOARD OF DIRECTORS**

- **Composition:**

The composition of the Board of your Company is in conformity with Clause 49 of the Listing Agreement, as amended from time to time. The Board of the Company presently consists of four directors. The Board comprises of 50-50% strength i.e. two Executive Director and two Non-Executive Directors. The board also comprises of Independent Directors which brings in independent judgment in the Board's deliberations and decisions. The Composition of Board of Directors is as under:

Sr	Name	Designation	KMP Position
1	Ms. Priya Rawal	Managing Director	Chief Executive Officer
2	Mr. Gaurav Bahety	Whole Time Director	Chief Financial Officer
3	Mr. Rakesh Kumar	Independent Director	-
4	Mr. Yogesh Kumar	Independent Director	-

- Mr. Manish Jain resigned w.e.f 31<sup>st</sup> December, 2014
- Mr. Rajendra Prasad Gogawat resigned w.e.f 31<sup>st</sup> December, 2014
- Mr. Anil Tandon resigned w.e.f 31<sup>st</sup> December, 2014

- **Attendance of each Director at the Board Meeting and the last AGM**

Details of Attendance, Number of other Companies or Committees the Director (Being a Director as on the date of the Directors' Report) is a Director/Chairman. :

Name of Director	Category of Directorship	No. of Board Meetings Attended	No. of other Companies in which Director	No. of Committees (other than the Company)	Attendance at the last AGM
Ms. Priya Rawal	Managing Director & Chief Executive Officer	6	02	00	Yes
Mr. Gaurav Bahety	Whole Time Director & Chief financial Officer	6	00	00	Yes
Mr. Rakesh Kumar	Independent Director	3	01	00	No
Mr. Yogesh Kumar	Independent Director	3	00	00	No

- Board meetings of the Company**

The Board has duly complied with the Secretarial Standard 1 and Clause 49 of the Listing agreement for holding the Board meetings of the Company. The meetings were held within a gap of three months and all the procedures were duly accorded and maintained while the meeting was held.

Six Board Meetings were held in the Financial Year 2014-2015. The dates on which the said meetings were held are as follows:

Board Meetings	
30 <sup>th</sup> May, 2014	12 <sup>th</sup> August, 2014
15 <sup>th</sup> November, 2014	31 <sup>st</sup> December, 2015
13 <sup>th</sup> February, 2015	31 <sup>st</sup> March, 2015

**Directors Remuneration/ Compensation:**

Sr No.	Name of the Director	Designation	Sitting Fees Rs.	Salaries, Commission Etc.	Total
1	Ms. Priya Rawal	Managing Director & CEO	0.00	300000/-	300000/-
2	Mr. Gaurav Bahety	Executive Director & CFO	0.00	0.00	0.00
3	Mr. Rakesh Kumar	Independent Director	0.00	0.00	0.00
4	Mr. Yogesh Kumar	Independent Director	0.00	0.00	0.00

### 3. COMMITTEES OF THE BOARD

The Board has total three Committees namely,

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholders Relationship Committee

#### A) AUDIT COMMITTEE:

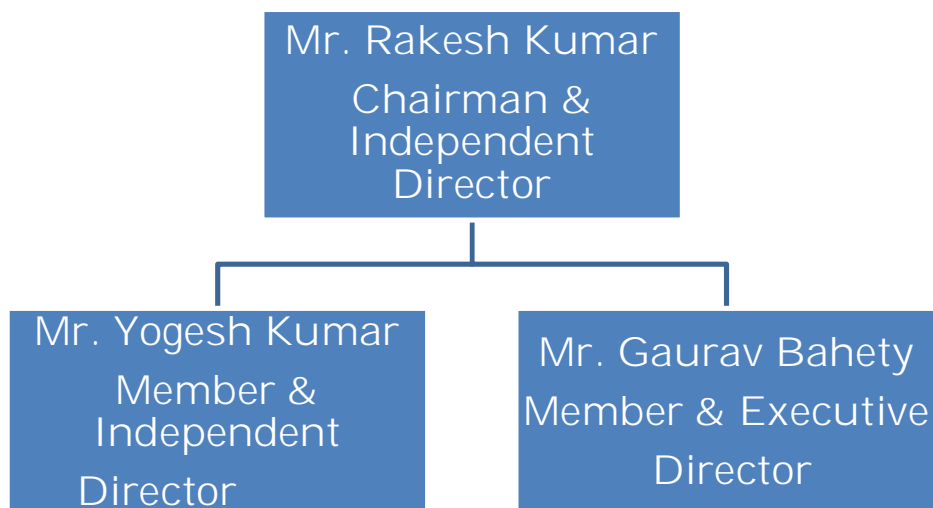
The Audit Committee comes into force. to comply with the provisions of the Corporate Governance of Listing Agreement which will bring more and more transparency and efficiency in the Board Procedures and in the operations of the Company

The audit committee is expected to review the company's financial reporting process and its financial statement, review the accounting and financial policies and practices, review the efficiency of the internal control mechanism and monitor the management of risk, review policies adopted by the company and ensure compliance with the regulating guidelines, review reports furnished by the statutory auditors and ensure that suitable follow ups are taken.

The terms of reference of the audit committee includes the powers as laid out in clause 49 II (C) of the listing agreement and role as stipulated in clause 49 II (D) of the listing agreement.

The Audit Committee was constituted with Mr. Mr. Rakesh Kumar as the Chairman and Mr. Yogesh Kumar and Mr. Gaurav Bahety as the Members of the Committee. The Committee underwent restructuring in previous year, after the restructuring of the entire Board of Directors of the Company and present members of the Committee are as follows:

Sr. No.	Name of the Director	Category	Designation
1.	Mr. Rakesh Kumar	Independent Director	Chairman
2.	Mr. Yogesh Kumar	Independent Director	Member
3.	Mr. Gaurav Bahety	Executive Director	Member



**i. Powers of the audit committee includes:**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers Necessary.
5. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

**ii. The scope of committee includes:**

1. Review of Company's financial reporting process and the financial statement.
2. Review internal control systems and functioning of internal audit process.
3. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
4. Post audit review with statutory auditors.
5. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

**iii. Number of Audit Committee Meetings held and the dates :**

The Audit Committee meetings were held on the following dates:

DATES	MATTERS TAKEN UP IN THE MEETING
30 <sup>th</sup> May 2014	Approval of drafted audited financial results for quarter ended March 31 <sup>st</sup> 2014 Review and approval of Annual Accounts. Approval Of The Auditors Report On The Annual Accounts For The Year Ended 31 <sup>st</sup> March 2014
12 <sup>th</sup> August 2014	Consideration of the Draft Un-Audited Financial Results for the Quarter ended June 30 <sup>th</sup> , 2014 Limited review report
15 <sup>th</sup> November 2014	Consideration of the Draft Un-Audited Financial Results for the Quarter ended September 30 <sup>th</sup> , 2014 Limited review report Review of internal control system
13 <sup>th</sup> February 2015	Consideration of the Draft Un-Audited Financial Results for the Quarter ended December 31 <sup>st</sup> , 2014. Limited review report

**iv. Efficiency and effectiveness of operations :**

1. Safeguarding of assets and adequacy of provisions for all liabilities.
2. Reliability of financial and other management information and adequacy of disclosures
3. Compliance with all relevant statutes.



**B) NOMINATION & REMUNERATION COMMITTEE:**

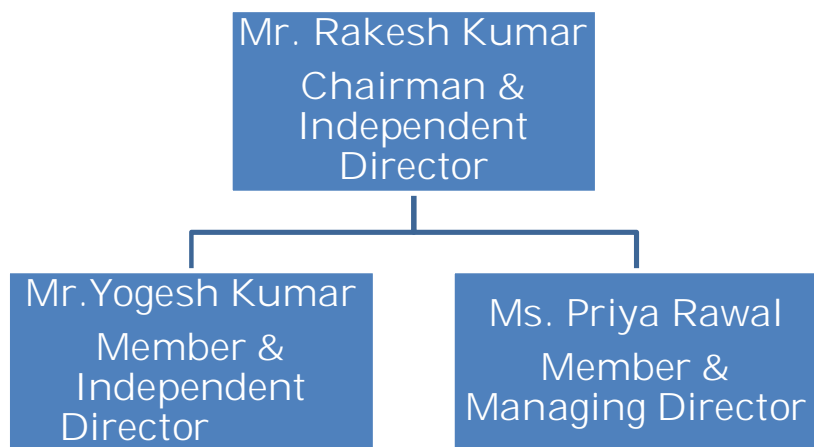
The Remuneration Committee renamed as Remuneration & Nomination Committee as on 12<sup>th</sup> August 2014 to comply with new Companies Act 2013 and the provisions of the listing agreement of the Corporate Governance. The following action has brought in more transparency, precision and efficiency within the Board and its process and in the operations of the Company.

❖ **The role of the remuneration committee primarily includes the following:-**

1. Examining and suggesting the remuneration policy for executive directors
2. Examining; reviewing and modifying the human resources development policy including all personnel related matters.

❖ **Composition:**

The Remuneration Committee was constituted with Mr. Rakesh Kumar as the Chairman and Mr. Yogesh Kumar and Ms. Priya Rawal as the Members of the Committee.

**The remuneration committee consists of the following Three Directors:**

During the year, the nomination and remuneration committee meeting was held on 12<sup>th</sup> August, 2014 and 31<sup>st</sup> December, 2014.

**C) STAKEHOLDERS RELATIONSHIP COMMITTEE**

On 12<sup>th</sup> August, 2014 the Board also re-constituted and renamed Share Transfers And Investors/Shareholders Grievance Committee as Stakeholders Relationship Committee in terms of the provisions of Companies Act 2013 read with revised Clause 49 of the Listing Agreement as follows: This helped the Company to improvise the services to be provided to the shareholders and to redress the complaints, transfer of shares etc related matter.

During the year under review, Shareholders committee met four times where all the members were present.

- 30<sup>th</sup> May, 2014
- 12<sup>th</sup> August, 2014
- 15<sup>th</sup> November, 2014
- 13<sup>th</sup> February, 2015

**Queries during the year:**

Total number of queries received during the year -	Nil
Total number of queries solved during the year -	Nil
Total number of queries pending as on 31st March, 2015 -	Nil

During the year, the company resolved all the complaints within the time frame prescribed by the SEBI/Stock Exchanges except the disputed matters.

The Shares received for transfer are generally approved by the committee, once in the fortnight, and are given effect by the Registrar and Share Transfer Agent the details of which are noted by the board.

**4. GENERAL BODY MEETING:**

Details of the location of the last three AGMs & EGMs and the details of the resolution passed or to be passed by Postal Ballot.

Year Ended	AGM/EGM	Date of Meetings	Place of meeting	Special Resolution passed	Time
2011-12	AGM	28/09/2012	502, Arcadia Building, 195, NCPA Marg, Nariman Point, Mumbai – 400 021, Maharashtra	No Special Resolution Pass in Meeting	12.00.PM
2012-13	EGM	28/01/2013	502, Arcadia Building, 195, NCPA Marg, Nariman Point, Mumbai – 400 021, Maharashtra	Increase in Authorized Capital of the Company. Consequential Changes in Memorandum and Articles of Association of the Company. Issue of shares on preferential basis. Change in the name of the Company	11.00 A.M.
2012-13	AGM	27/09/2013	The Maharaja Business Hotel, Kohinoor Complex, Service Road, Western Express Highway, Rawalpada Dahisar (east), Mumbai- 400068	Subdivision of Equity Shares of the Company. Alteration of Capital Clause of the Articles of Association of the Company. Appointment of Ms. Priya Rawal as the Chairperson and Managing Director of the Company. Appointment of Mr. Gaurav Bahety as Executive Director of the Company.	10.00 A.M.
2013-14	AGM	27/09/2014	The Maharaja Business Hotel, Kohinoor Complex, Service Road,	Appointment of Independent Directors Appointment of MD & CEO	10.00 A.M.

			Western Express Highway, Rawalpada Dahisar(east), Mumbai-400068	Appointment of Chairman & CFO Adoption of Articles of Association as per Table F of Schedule I of the Companies Act, 2013	
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All the resolutions including special resolutions set out in the respective Notices of the meetings aforesaid were passed by the Shareholders of the Company at the respective meetings.

### 1. NOTES ON DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT:

The details of Directors to be Appointed/re-appointed at the ensuing Annual General Meeting are produced below in terms of Clause 49 of the Listing Agreement:

Name	Priya Rawal	Gaurav Bahety	Rakesh Kumar	Yogesh Kumar
Age	43 years	25 years	39 years	36 years
Qualification	M.Com	B.Com	B.com	B.Com
Nature of Expertise	Marketing & Business Development	Marketing & Business Development	Human Resources Department	Human Resources Department
Name of the Companies in which also holds Directorship	Nil	Nil	Nil	Nil
Name of the Companies in committees of which also holds Membership/ Chairmanship	Nil	Nil	Nil	Nil
Shareholding in the Company	Nil	Nil	Nil	Nil

### 2. DISCLOSURES:

Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. NIL

Details of non-compliance by the Company, penalties, imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter. NIL

**3. MEANS OF COMMUNICATION:**

The quarterly and half-yearly unaudited financial results during the year were published through wide circular in the local newspaper as per clause 41 of Listing Agreement.

**4. GENERAL SHAREHOLDERS INFORMATION:**

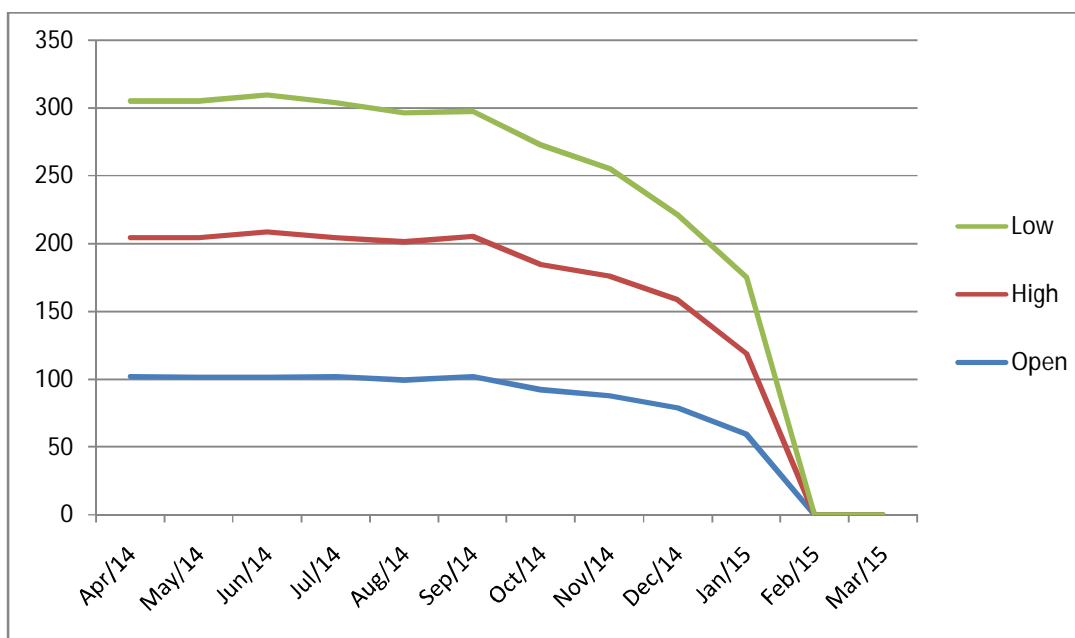
<b>i.</b>	<b>Annual General Meeting</b>	Date : 29 <sup>th</sup> September 2015 Time : 11.00 AM Address: The Avenue Thakur complex, Western Express Highway,Kandivli-(East), Mumbai – 400101
<b>ii.</b>	<b>Financial Calendar</b>	a) April to March b) 1st Quarter Results - within 45 days from the end of the Quarter c) 2nd Quarter Results- within 45 days from the end of the Quarter d) 3rd Quarter Results - within 45 days from the end of the Quarter e) 4th Quarter Results - within 60 days from the end of the Quarter
<b>iii.</b>	<b>Date of Book Closure</b>	23 <sup>rd</sup> September 2015 to 29 <sup>th</sup> September 2015
<b>iv.</b>	<b>Listing on Stock Exchanges</b>	The Bombay Stock Exchange, Mumbai
<b>v.</b>	<b>ISIN Number for CDSL/NSDL</b>	INE907N01029
<b>vi.</b>	<b>BSE Scrip Code</b>	512207
<b>vii.</b>	<b>Registrar and Transfer Agents</b>	Abhipra Capital Ltd , (Bm-1), A-387, Abhipra Complex, Dilkhush Industrial Area, G. T. Karnal Road, Azadpur,Delhi -110033 Tele. 011 -42390725, Fax: 011-42390830. E-Mail: Jeewatrai@Abhipra.Com Website: Www.Abhipra.Com
<b>viii.</b>	<b>Registered Office</b>	B-51, 5 <sup>th</sup> Floor, Gurudev Apartment, R. C Marg, Chembur Naka, Chembur, Mumbai – 400 071,

**xi. Listing of Equity Shares:**

The securities of your Company are listed at BSE and securities of the Company has been suspended on the BSE. The matter is under the proceeding with the Securities Appellate Tribunal.

**x. Market Price Data: High, Low during each month during the last financial year:**

Month*	Price of Effingo Textile & Trading Ltd, On Bombay Stock Exchange Limited (Price in Rs.)			
	Open	High	Low	Close
Apr-14	102.05	102.05	100.85	101.50
May-14	101.40	102.75	101.00	101.75
Jun-14	101.40	106.90	101.10	102.00
Jul-14	102.00	102.25	99.40	99.40
Aug-14	99.25	102.05	95.00	102.05
Sept-14	102.00	103.00	92.25	92.25
Oct-14	92.15	92.25	88.00	88.20
Nov-14	87.85	88.20	79.25	80.70
Dec-14	79.00	79.10	62.45	62.50
Jan-15	59.40	59.40	56.45	56.45
Feb-15	-	-	-	-
Mar-15	-	-	-	-



**Share Prices During The Financial Year Under Review**

**xi. Buy-Back Of Shares:**

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

**xii. Share Transfer System:**

All the transfer received are processed by the Share Transfer Agent –  
Abhipra Capital Ltd,  
A-387, Abhipra Complex,  
Dilkhush Industrial Area,

G. T. Karnal Road, Azadpur, Delhi,  
Delhi -110033 Tele. 011 -42390725  
Fax: 011-42390830.

E-Mail: Jeewatrai@Abhipra.Com

Website: www.abhipra.com and approved by the Board/Committee and returned well within the stipulated period from the date of receipt.

**Distribution Of Shareholding As On 31.03.2015:**

Distribution of Shares	No. of Shareholders	Percentage to Total No. of Shareholders	No. of Shares held	Percentage to total Share Capital
Upto - 2500	189	38.337	63378	0.058
2501-5000	20	4.057	93000	0.085
5001-10,000	32	6.491	276878	0.252
10,001-20,000	54	10.953	865908	0.787
20,001-30,000	33	6.694	799390	0.727
30,001-40,000	17	3.448	601000	0.547
40,001 – 50,000	14	2.840	628905	0.572
50,001-1,00,000	32	6.491	2319336	2.109
1,00,001 & Above	102	20.690	104312205	94.864
<b>Total</b>	<b>493</b>	<b>100.00</b>	<b>109960000</b>	<b>100.00</b>

**xiii. Shareholding pattern as on 31.03.2015 is as follows:**

Category	No. of Shares held	Holding Strength %
Insurance Cos./Banks	0.00	0.00
U.T.I.	0.00	0.00
NRIs	2425000	2.21
Mutual Funds	0.00	0.00
Resident Indians/other public shareholding	70365046	63.99
Bodies Corporate (Non Institution)	24068447	21.59
HUF	9934642	09.03
Clearing Members	19465	0.02
Promoters/Directors and their relatives	3147400	2.86
<b>Total</b>	<b>109960000</b>	<b>100.00</b>

**xiv. Dematerialization of shares**

The total equity share Capital of the Company is 109960000as on 31st March 2015, of which 108311600 equity shares i.e. 98.50% of the total paid up equity capital are traded in electronic form. Further from total electronically traded shares 46366775 Equity shares were held in electronic form with National Securities Depository Limited (NSDL) and 61944825Central Depository Services (India) Limited (CDSL) and remaining 1648400Equity shares are in Physical form. All the demat requests were generally processed and confirmed within 7 days of receipt.

**xv. Address for correspondence:****EFFINGO TEXTILE AND TRADING LIMITED**

B-51, 5<sup>th</sup> Floor, Gurudev Apartments,  
R C Marg, Chembur Naka, Chembur,  
Mumbai – 400 071.

Shareholders correspondence may be directed to the Company's Registrar and Share Transfer Agents whose address is given below:

Abhipra Capital Ltd ,

A-387, Abhipra Complex,

Dilkhush Industrial Area,

G. T. Karnal Road, Azadpur, Delhi -110033.

Tele.011-42390725.Fax:011-42390830.

E-mail: Jeewatrai@Abhipra.Com Website: www.abhipra.com

**xvi. Secretarial Audit Report**

As stipulated by the Securities and Exchange Board of India, Secretarial Audits have been carried out, by Firm of Practicing Company Secretary, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the board of directors. The audit, inter alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

**5. Declaration under Clause 49(I)(D) of the Listing Agreement for compliance with the Code of Conduct**

In terms of the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges, it is hereby declared that the Members of the Board of Directors of the Company have affirmed the compliance with the Code of conduct for the year ended 31<sup>st</sup> March, 2015.

**By Order of the Board of Directors  
For Effingo Textile And Trading Ltd.**

**Sd/-**

**Ms. Priya Rawal  
(Managing Director & CEO)**

**Place: Mumbai**

**Date:02<sup>nd</sup> September 2015**

**Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certificate**

We, Ms. Priya Rawal, Managing Director & Chief Executive Officer and Mr. Gaurav Bahety, Whole Time Director and Chief Financial Officer of Effingo Textile & Trading Limited, to the best of our knowledge and belief hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2015 and:
  - 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 no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of 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 such internal controls, if any, and steps taken or proposed to be taken to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For Effingo Textile & Trading Ltd**

**Sd/-**

**Sd/-**

**Priya Rawal  
(CEO)**

**Gaurav Bahety  
(CFO)**

**Place : Mumbai**

**Date :02<sup>nd</sup> September 2015**



**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE REPORT**

To,  
The Members of  
Effingo Textile & Trading Limited.

We have received and examined the compliance of conditions of Corporate Governance by Effingo Textile & Trading Limited. for the financial year ended 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement entered in to by the Company with Stock Exchanges in India.

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

In my opinion and to best of my knowledge & information and according to the explanations given to me, we hereby certified that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into by the company with Stock Exchange.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders/Investors Grievance Committee.

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.

**Place: Mumbai**  
**Date: 30<sup>th</sup> May 2015**

**For S.B.JAJOO &CO.**  
**Chartered Accountants**  
Firm Reg.No : 125915W  
Sd/-  
Santosh.B.Jajoo  
Proprietor  
Membership No. 118622

**FORM MR-3**

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**Secretarial Audit Report****For the Financial year ended 31<sup>st</sup> March 2015**

To,

The Members,

Effingo Textile & Trading Limited,

Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to the good corporate practices by Effingo Textile & Trading Limited (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the auditing period covering the financial year ended on 31<sup>st</sup> March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board Process and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March 2015 according to the provisions of:

1. The Companies Act, 2013 and rules made thereunder;
2. The Securities Contract (Regulation) Act, 1956 and rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments, External Commercial Borrowings;
5. The following regulations and guidelines prescribed under the Securities Exchange Board of India (SEBI) Act, 1992 (the Act):
  - a. The SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - b. The SEBI (Prohibition of Insider Trading) Regulations, 1992;
  - c. The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The SEBI (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client;
  - g. The SEBI (Delisting of Equity Shares) Regulations, 2009;
  - h. The SEBI (Buyback of Securities) Regulations, 1998.

I have also examined compliance with the applicable clause of the following:

1. Secretarial Standards issue by the Institute of Company Secretaries of India;
2. The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. Pursuant to Section 203 read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has failed to appoint Company Secretary in whole time employment of the Company.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of executive directors, non executive directors and Independent directors. There were no changes in the composition of the Board during the year under review.

Adequate notice is given to all the directors to schedule the Board meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting members' views are captured and recorded as the part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the reporting period, there have been no specific events or actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Date: 14<sup>th</sup> August 2015**  
**Place: Navi Mumbai**

**For H V Gor & Co,**  
**Practicing Company Secretaries**  
**Sd/-**  
**Mr. Harsh Vijay Gor**  
**Proprietor**  
**ACS No: 38377**  
**CP No: 14269**

## MANAGEMENT DISCUSSION & ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis Reports for the year ended March 31, 2015 as under:

### ➤ **Overview :**

The Indian textile industry is one the largest and oldest sectors in the country and among the most important in the economy in terms of output, investment and employment. The sector employs nearly 35 million people and after agriculture, is the second-highest employer in the country. Its importance is underlined by the fact that it accounts for around 4% of Gross Domestic Product, 14% of industrial production, 9% of excise collections, 18% of employment in the industrial sector, and 16% of the country's total exports earnings. With direct linkages to the rural economy and the agriculture sector, it has been estimated that one of every six households in the country depends on this sector, either directly or indirectly, for its livelihood.

### ➤ **Industry Structure:**

Raw material costs have been increasing globally, coupled with a shortage of skilled workers. While a shift is taking place of textiles industries from China and Bangladesh to India, the industrial climate in India has also become adverse due to regular increases in input costs. Any further appreciation of the Rupee will adversely affect exports from India. Though the spinning industry has fared somewhat better those with a presence in weaving, processing or even composite businesses are facing the heat due to increases in input cost without being able to pass on such higher costs to customers as the market is simply unable to absorb the same.

### ➤ **Opportunities and Threat**

There is good scope for growth for the textile industry as India's share in the global trade in textiles is weak compared to other countries. The free trade environment is a great opportunity for the Indian textile industry to increase its share in the global market. Chinese exports are slowing down on account of various factors inclusive of increase in domestic demand and rising costs. This is a good opportunity of which our textile industry should make use but smaller countries like Bangladesh, Sri Lanka, Pakistan, Turkey and Vietnam etc. are becoming formidable challengers.

Lack of uninterrupted power, increased power costs, higher transaction costs, high cost of labour is hindering the progress. However, we are making all out efforts to cope with all these challenges by continuous efforts at cost reduction, process improvements, diversification of products and improving productivity by improving efficiencies

### ➤ **Business operations:**

The Company is engaged in the business of Textile industry. During the year under review, the industry faced various challenges due to global and economic slowdown and increasing rates of interest rates. But looking at the huge potential in India for Textile, the company is hopeful of reenter into this sector. The growth in the sector is very good and Management expects better results in forth coming year.

The company has been now focusing on the Textile projects in and around the city of Mumbai. During the year, the company witnessed inflow of funds for business expansion plans of the company. Further based on this, the company has once again started its operations and the company looks forward at the future with hope and zest which will enhance shareholders value of the Company

### ➤ **Out Look**

In light of the new and vibrant management of the company and steady growth in the operations of the company and looking at the huge demand for residential as well as commercial space in Mumbai the company is hopeful of its upward performance the future growth for the benefit of its stakeholders at large.

### ➤ **Internal control System**

The company has an effective internal control environment which ensures that operation are managed efficiently and effectively, assets are safeguarded, regulatory are complied with and transactions are recorded after appropriate authorization. the Company has an adequate internal control system commensurate with the size of the company and the nature of its business which ensures that functioning of the Company is managed efficiently and effectively, assets are safeguarded, regulatory compliances are complied with and transactions are recorded after appropriate authorization.

➤ **Human relations**

Human resources have always been most valuable assets for Effingo Textiles Ltd. During the year the company has once again gained the confidence of its Human Resource as well and company constantly seeks to attract and retain the best available talent. Human resources management incorporates a process driven approach that invest regularly in the extensive training programs. The Company continued to enjoy healthy industrial relations during the year.

➤ **Forward Looking and Cautionary Statements:**

Management Discussion and Analysis contains forward-looking statements concerning the Company's future plans, strategies, and performance. These forward-looking statements are not historical facts; rather, they represent assumptions and beliefs based on economic, financial, and competitive data currently available. Furthermore, they are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, fierce competition in the information service industry, customer demand, tax rules, regulations, and other factors. Readers of this annual report are cautioned not to place undue reliance on these forward-looking statements. The Company therefore wishes to caution readers that actual results may differ materially.

By Order of the Board of Directors  
For Effingo Textile & Trading Limited

Place: Mumbai  
Date: 02<sup>th</sup> September 2015

Sd/-  
Priya Rawal  
Director

Sd/-  
Gaurav Bahety  
Director

**INDEPENDENT AUDITOR'S REPORT**

To,

**THE MEMBERS OF EFFINGO TEXTILE & TRADING LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Effingo Textile & Trading Limited ("the Company"), which comprise the Balance Sheet as at 31/03/2015, the Statement of Profit and Loss, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2015, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the companies (Auditor's Report) Order 2015 ("the order") issued by the central government of India in terms of sub-section (11) of Section 143 of the Act, we give in the annexure a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2015 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company did not have any pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The Company does not required to be transferred fund to the Investor Education and Protection Fund.

**For S B JAJOO & CO.**

*chartered accountants*

FRN: 125915W

Sd/-

Santosh B Jajoo

Proprietor

Membership No: 118622

Place: Mumbai

Date: 30.05.2015

**Annexure to the Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**(1) In Respect of Fixed Assets**

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

**(2) In Respect of Inventory**

(a) As explained to us, at the end of the year there is no physical inventories. The inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

**(3) Loans and advances to parties covered under section 189**

In our opinion and according to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured to/ from the companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013;

(a) The loans granted are re-payable on demand. As informed, the company has not demanded repayment of any such loan during the year, thus there has been no default on the part of the parties to whom the money has been lent. The payment of interest has been regular .

(b) There is no overdue amount of any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act

**(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control**

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 for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit We have not observed continuing failure to correct major weaknesses in internal control system.

**(5) Rules followed while accepting Deposits**

No deposits within the meaning of Sections 73 to 76 or any other relevant provision of the Act and rules framed thereunder have been accepted by the Company.



**(6) Maintenance of cost records**

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (l) of section 148 of the Companies Act.

**(7) According to the information and explanations given to us in respect of statutory dues**

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, Service tax, and other material statutory dues applicable to it.

(b) According to the records of the Company, there are no dues of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities that have been not been deposited on amount of any dispute.

(c) The Company does not required to transfer fund to the Investor Education and Protection Fund.

**(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses**

The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit & immediately preceding financial year .

**(9) Default in Repayment of Loans taken from Bank or Financial Institutions**

The company has not taken any loans from Bank or Financial Institutions

**(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the company**

The company has not taken any loans from Bank or Financial Institutions, thus this clauses is not applicable.

**(11) Application versus purpose of Term Loan.**

Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.

**(12) Reporting of Fraud During the Year Nature and Amount**

Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**For S B JAJOO & CO.**

*chartered accountants*

FRN: 125915W

Sd/-

Santosh B Jajoo

Proprietor

Membership No: 118622

Place: Mumbai

Date: 30.05.2015

**Balance Sheet as at 31st March 2015**

Particulars	Note No.	As at		As at	
		March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
		Rupees	Rupees	Rupees	Rupees
<b><u>EQUITY AND LIABILITIES</u></b>					
SHAREHOLDER'S FUND					
Share Capital	1	109,960,000		109,960,000	
Reserves & Surplus	2	<u>22,629,224</u>	132,589,224	<u>19,027,772</u>	128,987,772
NON-CURRENT LIABILITIES					
Long Term Borrowings	3	14,358,600		-	
Deferred Tax Liabilities	4	975		-	
Long Term Provisions	5	<u>17,200</u>	14,376,775	<u>17,200</u>	17,200
CURRENT LIABILITIES					
Trade Payables	6	44,234,829		-	
Other Current Liabilities	7	44,955		30,500	
Short Term Provisions	8	<u>1,696,138</u>	45,975,922	<u>2,000,000</u>	2,030,500
			<u>192,941,921</u>		<u>131,035,472</u>
<b><u>ASSETS</u></b>					
NON CURRENT ASSETS					
Fixed Assets					
- Tangible Assets	9	18,833		-	
Non Current Investment	10	24,344,614		24,344,614	
Long Term Loans & Advances	11	71,896,186		79,243,124	
Other Long Term Assets	12	<u>71,880</u>	96,331,513	<u>71,880</u>	103,659,618
CURRENT ASSETS					
Trade Receivables	13	30,386,898		971,328	
Cash & Cash Equivalents	14	4,014,061		2,685,777	
Short Term Loans & Advances	15	60,865,609		21,800,000	
Other Current Assets	16	<u>1,343,839</u>	96,610,407	<u>1,918,749</u>	27,375,854
			<u>192,941,921</u>		<u>131,035,472</u>
Significant Accounting Policies	24				
Notes on Financial Statements	1 to 32				
Notes forming an integral part of the Financial Statements					

AS PER OUR REPORT OF EVEN DATE ANNEXED

**For S B JAJOO & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Registration No.125915W

FOR AND ON BEHALF OF THE BOARD OF  
 EFFINGO TEXTILE & TRADING LIMITED

**SANTOSH JAJOO**  
 PROPRIETOR  
 M. No. 118622

PRIYA RAWAL  
 DIRECTOR

GAURAV BAHETY  
 DIRECTOR

Place: Mumbai  
 Dated: 30/05/2015

**STATEMENT OF PROFIT AND LOSS**  
**For the year Ended 31st March, 2015**

Particulars	Note No.	For the Year Ended March 31, 2015 Rupees	For the Year Ended March 31, 2014 Rupees
<b><u>INCOME</u></b>			
Revenue from Operation	17	201,542,694	210,927,067
Other Income	18	-	11,974
<b>Total Revenue</b>		<b>201,542,694</b>	<b>210,939,041</b>
<b><u>EXPENSES</u></b>			
Purchase of Stock-in-Trade	19	194,661,094	202,568,566
Finance Cost	20	-	21,166
Employee Benefit Expenses	21	516,000	360,000
Depreciation	22	3,566	-
Other Expenses	23	1,008,771	1,549,298
<b>Total Expenses</b>		<b>196,189,431</b>	<b>204,499,030</b>
<b>Profit / (Loss) before tax</b>		<b>5,353,263</b>	<b>6,440,010</b>
Less : Tax expenses (Represents for Current years)		1,696,138	2,000,000
Less : Deferred tax		975	-
<b>Profit / (Loss) for the year</b>		<b>3,656,150</b>	<b>4,440,010</b>
<b>Earnings Per Equity Shares</b>			
Basic & Diluted	23	0.03	0.04
Significant Accounting Policies	24		
Notes on Financial Statements	1 to 32		
Notes forming an integral part of the Financial Statements			

AS PER OUR REPORT OF EVEN DATE ANNEXED

**For S B JAJOO & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Registration No.125915W

FOR AND ON BEHALF OF THE BOARD OF  
 EFFINGO TEXTILE & TRADING LIMITED

**SANTOSH JAJOO**  
 PROPRIETOR  
 M. No. 118622

PRIYA RAWAL  
 DIRECTOR

GAURAV BAHETY  
 DIRECTOR

**Place: Mumbai**  
**Dated: 30/05/2015**

Particulars	For the Year Ended March 31, 2015 Rupees	For the Year Ended March 31, 2014 Rupees
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	5,353,263	6,440,010
<b>Adjustment for</b>		
Depreciation	3,566	-
Interest Income	(8,318,123)	(7,457,490)
Dividend Income	0	(11,974)
(Profit) / Loss on sale of shares	0	272,835
<b>Operating Profit Before Working Capitals Changes</b>	<b>(2,961,294)</b>	<b>(756,619)</b>
<b>Adjustment for</b>		
(Increase)/Decrease in Trade receivables	(29,415,571)	(971,328)
(Increase)/Decrease in Short term Loans & Advances	(39,065,609)	(21,800,000)
(Increase)/Decrease in Other Current Assets	0	1,597,859
Increase / (Decrease) in Trade Payables	44,234,829	-
Increase / (Decrease) in Other Current Liabilities	14,455	(3,966,263)
<b>Net Cash Inflow/(Outflow) in course of Operating Activities</b>	<b>(27,193,190)</b>	<b>(25,896,350)</b>
Less: Direct Taxes paid	1,479,788	1,918,749
<b>Net Cash Flow Arising From Operating Activities (A)</b>	<b>(28,672,978)</b>	<b>(27,815,099)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase / Sales of Investments (Net)	-	20,584,473
Purchase of Fixed Assets	(22,399)	-
(Increase)/Decrease in Long term loans and advances	7,346,938	21,242,324
Interest Received	8,318,123	7,457,490
Profit / (Loss) on sale of shares	-	(2,654)
Dividend Income	-	11,974
<b>Net Cash Inflow/ (Outflow) in course of Investing Activities (B)</b>	<b>15,642,662</b>	<b>49,293,607</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from/(Payments of) Long Terms Borrowing	14,358,600	(19,269,074)
<b>Net Cash Inflow/(Outflow) in course of Financing Activities (C)</b>	<b>14,358,600</b>	<b>(19,269,074)</b>
<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>1,328,284</b>	<b>2,209,433</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>2,685,777</b>	<b>476,344</b>
<b>Cash &amp; Cash Equivalents at closing of the year</b>	<b>4,014,061</b>	<b>2,685,777</b>

Note:

- The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard - 3 Cash Flow Statement specified in the Companies (Accounting Standard) Rules, 2006.
- Previous Year figures have been regrouped/rearranged wherever considered necessary to confirm to make them comparable.

AS PER OUR REPORT OF EVEN DATE ANNEXED

**For S B JAJOO & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Registration No. 125915W

FOR AND ON BEHALF OF THE BOARD OF  
 EFFINGO TEXTILE & TRADING LIMITED

**SANTOSH JAJOO**  
 PROPRIETOR  
 M. No. 118622

PRIYA RAWAL  
 DIRECTOR

GAURAV BAHETY  
 DIRECTOR

Place: Mumbai  
 Dated: 30/05/2015

**Notes on Financial Statements****Note 1. SHARE CAPITAL**

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of shares	Rupees	No. of shares	Rupees
<b>a) Authorized</b>				
Equity Shares of Rs.1/- each	11,000,000	110,000,000	11,000,000	110,000,000
<b>b) Issued, Subscribed and Paid up</b>				
Issued Share Capital of Rs.1/- each	109,960,000	109,960,000	109,960,000	109,960,000

**I) Rights & restriction attached to equity shareholders**

The Company has only one class of equity shares having a face value of Rs.1/- each . Every Shareholder is entitled for one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**II) Reconciliation of the number of Shares outstanding at the beginning and at the end of the reporting period****Equity Shares Outstanding**

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of shares	Value Of Shares	No. of shares	Value Of Shares
Number of equity shares at the beginning of the year	109,960,000	109,960,000	109,960,000	109,960,000
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
Number of equity shares outstanding at the end of the year	<b>109,960,000</b>	<b>109,960,000</b>	<b>109,960,000</b>	<b>109,960,000</b>

**Note 2. RESERVE & SURPLUS**

Particulars	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>Share Premium</b>		20,000,000		20,000,000
<b>Profit &amp; Loss Account</b>				
Opening Balance		(972,228)		(5,552,371)
Add : Additions during the period		3,656,150		4,440,010
Add : Excess / ( short) Provision of Income Tax		(54,698)		140,133
<b>Closing Balance</b>		<b>2,629,224</b>		<b>(972,228)</b>
<b>TOTAL</b>		<b>22,629,224</b>		<b>19,027,772</b>
<b>Note 3. LONG TERM BORROWINGS</b>				
From Others (Unsecured)		14,358,600		-
<b>TOTAL</b>		<b>14,358,600</b>		<b>-</b>
<b>Note 4. Deferred Tax Liabilities</b>				
On account of depreciation on fixed assets		975		-
<b>TOTAL</b>		<b>975</b>		<b>-</b>
<b>Note 5. LONG TERM PROVISIONS</b>				
For Standard Assets		17,200		17,200
<b>TOTAL</b>		<b>17,200</b>		<b>17,200</b>
<b>Note 6. OTHER CURRENT LIABILITIES</b>				
Sundry Creditors for Expenses		22,022		13,000
Duties Payable		22,933		17,500
<b>TOTAL</b>		<b>44,955</b>		<b>30,500</b>
<b>Note 7. SHORT TERM PROVISIONS</b>				
Provision for Income Tax		1,696,138		2,000,000
<b>TOTAL</b>		<b>1,696,138</b>		<b>2,000,000</b>
<b>Note 8. TRADE PAYABLES</b>				
Due to others		44,234,829		-
<b>TOTAL</b>		<b>44,234,829</b>		<b>-</b>

**Note 9. FIXED ASSETS**

Tangible Assets	18,833	-
	<b>18,833</b>	<b>-</b>

**Note 10. NON CURRENT INVESTMENT****Investment in Equity Instruments:**

Quoted	24,344,614	24,344,614
<b>TOTAL</b>	<b>24,344,614</b>	<b>24,344,614</b>

In the opinion of the management the diminution in the value of long term investment is temporary in nature and hence provisions for the same is not considered necessary.

<b>Aggregate amount of quoted investments</b>	<b>24,344,614</b>	<b>24,344,614</b>
<b>Aggregate market value of quoted investments</b>	<b>3,045,953</b>	<b>3,680,645</b>

**Note 11. LONG TERM LOANS & ADVANCES**

Unsecured (Considered Good unless otherwise stated)

Loans and advances		
-To Others	71,896,186	79,243,124
<b>TOTAL</b>	<b>71,896,186</b>	<b>79,243,124</b>

**Note 12. OTHER LONG TERM ASSETS**

IT Refund Receivable - A.Y. 2013-14	71,580	71,580
Deposits	300	300
<b>TOTAL</b>	<b>71,880</b>	<b>71,880</b>

**Note 13. TRADE RECEIVABLES**

Trade Receivables outstanding for the period **less than six months** from the date they due for payment ( Unsecured ,Considered good )

	30,386,898	971,328
<b>TOTAL</b>	<b>30,386,898</b>	<b>971,328</b>

**Note 14. CASH & CASH EQUIVALENTS**

Balance with Banks	3,807,469	2,486,617
Cash on hand	206,592	199,160
<b>TOTAL</b>	<b>4,014,061</b>	<b>2,685,777</b>

**Note 15. SHORT TERM LOANS & ADVANCES**

Loans and advances to others ( Unsecured )	60,765,309	21,800,000
Security Deposit	100,300	-
<b>TOTAL</b>	<b>60,865,609</b>	<b>21,800,000</b>

**Note 16. OTHER CURRENT ASSETS**

Tax deducted at source	793,839	718,749
Advance Tax	550,000	1,200,000
<b>TOTAL</b>	<b>1,343,839</b>	<b>1,918,749</b>

**Note 17. REVENUE FROM OPERATIONS**

Particulars	For the year ended March 31, 2015 Rupees	For the year ended March 31, 2014 Rupees
Revenue from sale of traded goods	193,224,571	203,469,577
Interest Income	8,318,123	7,457,490
<b>TOTAL</b>	<b>201,542,694</b>	<b>210,927,067</b>

**Note 18. OTHER INCOME**

Dividend	-	11,974
<b>TOTAL</b>	<b>-</b>	<b>11,974</b>

**Note 19. Purchase of Stock-in-Trade**

Purchases	194,661,094	202,568,566
<b>TOTAL</b>	<b>194,661,094</b>	<b>202,568,566</b>

**Note 20. FINANCE COST**

Interest paid	-	21,166
<b>TOTAL</b>	<b>-</b>	<b>21,166</b>

**Note 21. EMPLOYEE BENEFIT EXPENSES**

Salaries	216,000	360,000
Remuneration to directors	300,000	-
<b>TOTAL</b>	<b>516,000</b>	<b>360,000</b>

**Note 22. OTHER EXPENSES**

<b>Particulars</b>	<b>For the year ended March 31, 2015 Rupees</b>	<b>For the year ended March 31, 2014 Rupees</b>
Rent	89,888	-
Office Expenses	226,680	-
Advertisement	17,526	3,716
Commission paid	-	950,000
Repairs & Maintenance	20,300	-
Postage & Courier	24,139	6,770
Printing & Stationery	26,914	12,700
Telephone Expenses	19,550	18,020
Conveyance	163,018	11,350
Loss from Shares Trading	-	272,835
Professional fees	121,671	85,332
Legal Fees, Charges & Taxes	11,050	145,443
Miscellaneous Expenses	-	15,436
Depository Exp	106,743	-
Stock Exchange Fees	112,360	-
Interest on Income Tax & TDS	40,441	-
Bank charges	2,491	1,697
Auditors Remuneration*	26,000	26,000
<b>TOTAL</b>	<b>1,008,771</b>	<b>1,549,298</b>

\*Payment to auditors is as under :

<b>Particulars</b>	<b>For the year ended March 31, 2015 Rupees</b>	<b>For the year ended March 31, 2014 Rupees</b>
As Statutory Audit Fees	13,000	13,000
For Other Services	13,000	13,000
<b>TOTAL</b>	<b>26,000</b>	<b>26,000</b>

**23. EARNINGS PER SHARE (EPS)**

<b>Particulars</b>	<b>For the year ended March 31, 2015 Rupees</b>	<b>For the year ended March 31, 2014 Rupees</b>
Profit After Tax for the year	3656150	4,440,010
Profit Attributable to Equity Share Holders (A)	3656150	4,440,010
Weighted Average Number of Equity Shares for Basic and Diluted EPS (Nos.)(B)	109,960,000	109,960,000
Nominal Value of Equity Shares Rs.	1	1
<b>Basic and Diluted EPS Rs. (A/B)</b>	<b>0.03</b>	<b>0.04</b>

**Note 24: Significant Accounting Policies****a. Business**

M/s Effingo Textile & Trading Limited is public limited listed company. The company operates in the business of trading in various products & Registered as Non Banking Finance Company ( NBFC ) with RBI .

**b. Basis of Accounting & Preparation of Financial Statements**

Financial statements are prepared under historical cost convention on accrual basis in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

**c. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**d. Interest Income**

Interest Income is credited to revenue in the year in which it accrue Income is stated in full with the tax there on being accounted for under advance tax.

**e. Investments**

Long term investments are stated at cost of acquisition, Provision for diminution in the value of long term investment is made only if, such a decline is other than temporary in the opinion of the management.

**f. Taxation**

The current Income Tax liability is calculated by the company in accordance with relevant tax provisions and tax advices taken wherever considered necessary.

**g. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized only when there is reliable estimate of present obligation on a result of past events. Contingent liabilities are disclosed by way of notes on accounts. Contingent assets are neither accounted nor disclosed in the financial statement due to uncertainty of their realization.



**h. Events occurring after the Balance Sheet date**

Events occurring after the Balance Sheet date and till the date on which the financial statement are approved which are material in nature and indicates the need for adjustments in the financial statements are considered and accounted.

**i. Deferred Taxation**

Deferred Taxation is calculated using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income & expenditure which are expected with reasonable probability to crystallize in foreseeable future.

Deferred tax is recognized in the financial statement only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realizable in near future.

**j. Earning Per share**

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting the redeemable preference share dividend) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders (after deducting the redeemable preference share dividend) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

**Note 25: Information required under Para 3 (ii) (b) of Part II of Schedule VI to the Companies Act, 1956 in respect of items traded during the year:**

a. Since the Company is in the business of trading, the provisions regarding licensed and installed capacity, as well as production & raw - material consumption are not applicable.

b. Details of items traded –

1) Cloth

Particulars	Current Year		Previous Year	
	Units (Meters)	Amount (Rs.)	Units (Meters)	Amount (Rs.)
Opening Stock	NIL	NIL	NIL	NIL
Purchases	1,364,884	194,661,094	1,729,840	202,568,566
Sales	1,364,884	193,224,571	1,729,840	203,469,577
Closing Stock	NIL	NIL	NIL	NIL

**Note 26:** The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act have not been given.

**Note 27:** In the opinion of the Board, the Current Assets Loans and Advances are not less than the values stated if realized in the ordinary course of business. The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

**Note 28:** Deferred tax is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

**Note 29:** The Company has been Registered as Non Banking Finance Company with RBI vide Registration No.427. The company is in process of completing pending formalities of compliance with RBI.

**Note 30:** The balances of Current assets, Current liabilities including Sundry Debtors, Sundry Creditors, Loans & advances, Secured & Unsecured Loan balances are subject to confirmation.

**Note 31: Related Party Disclosure**

**i) Directors & Key management personnel**

- Priya Rawal – Women Director , Executive Director .
- Gaurav Bahety – Executive Director
- Rakesh Kumar – Independent Director ( Appointed on December 31, 2014 )
- Yogesh Kumar - Independent Director ( Appointed on December 31, 2014 )
- Anil Tondon - Independent Director (cessation on December 31, 2014 )
- Rajendra Gogawat - Independent Director (cessation on December 31, 2014 )
- Manish Jain - Independent Director (cessation on December 31, 2014 )

**ii) Summary of related party transactions**

The transaction with the above parties were as follows:

Name of the related party	Nature of Payment	March 31, 2015
Priya Rawal	Managerial Remuneration	Rs.3,00,000/-

**Note 32:** Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

**For S B Jajoo & Co.,**

**Chartered Accountants**

Firm Registration No.125915W

Sd/-

**Santosh B Jajoo**

**Proprietor**

Membership No: 118622

Place: Mumbai

Date: 30.05.2015

**For & on behalf of the Board of Directors of**

M/s Effingo Textile & Trading Limited

Sd/-

**Priya Rawal**

Director

Sd/-

**Gaurav Bahety**

Director

# EFFINGO TEXTILES & TRADING LIMITED.

## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L17110MH1985PLC035398

Name of the Company: **EFFINGO TEXTILES & TRADING LIMITED**

Registered office: B-51,5<sup>th</sup> Floor,Gurudev Apt,R.C.Marg,Chembur Naka,Chembur-400071..

Name of the Shareholder:-----

RegisteredAddress:-----

EmailID:-----

Folio /No/DPID/ & Client ID-----

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1)Name-----of-----having e-mail id-----or failing him

2)Name-----of-----having e-mail id-----or failing him

3)Name-----of-----having e-mail id-----or failing him

and whose and whose signatures are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on the 29<sup>th</sup> day of September 2015 At 11.00 a.m. at The Avenue, Thacker Complex, Western Express Highway, Kandivli East, Mumbai – 400101 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No.	Description	For	Against
	Ordinary Business		
1.	To receive, consider and adopt the Audited Balance Sheet as at and the Audited Profit and Loss Account of the Company for the period ended 31st March, 2015 together with Directors' Report and Auditors' Report thereon.		
2.	Re-Appointment of Ms. Priya Rawal as Director liable to retire by rotation		
3.	To Re-appoint M/s. S B Jajoo & Co, Chartered Accountants, as Auditors of the Company.		
4.	To appoint Mr. Rakesh Kumar as Independent Director of the Company		
5.	To appoint Mr. Yogesh Kumar as Independent Director of the Company		

Signed this..... day of..... 2015

Signature of the shareholder \_\_\_\_\_

[Signature of Proxy] \_\_\_\_\_

Affix  
Re. 1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**EFFINGO TEXTILES & TRADING LIMITED.**

ATTENDANCE SLIP

Annual General Meeting

Reg.Folio no. _____ Name of Shareholder _____
D.P.I.D* _____ Client ID* _____
Email ID: _____

I/We hereby record my/our presence at the Annual General Meeting of the company being held on 29<sup>th</sup> September, 2015 at The Avenue, Thackur Complex, Western Express Highway, Kandivli East, Mumbai – 400101, At 11.00 A.M.

Signature of the shareholder(s), / Proxy/

Representative \_\_\_\_\_

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the Venue.

**Book Post**

**If undelivered Please return to:**  
**EFFINGO TEXTILE & TRADING LIMITED**  
**Regd:** Office no:-B-51,5<sup>th</sup> Floor,Gurudev Apt,  
R.C Marge,Chembur Naka,Mumbai-,400071  
**Email ID:-** maltitextile@yahoo.com