

20th  
Annual Report  
2011-2012

**E-WHA FOAM INDIA LIMITED**

## E-WHA FOAM INDIA LIMITED

### 20th Annual Report 2011-2012

#### BOARD OF DIRECTORS

Mr. Navinchandra Shah	Executive Director & CEO
Mr. Nijal N. Shah	Executive Director & CFO
Mr. Shankar R. Pandare	Executive Director
Mr. Narendra Solanki	Non Executive and Independent Director
Mr. Mukesh Sampat	Non Executive and Independent Director
Mr. Priyesh Pethe	Non Executive and Independent Director
Mr. Deepak Rane	Non Executive and Independent Director (Appointed with effect from 18.01.2012)
Mr. Arun Kumar Sharma	Non Executive and Independent Director (Appointed with effect from 30.07.2012)

#### COMPLIANCE OFFICER

Mr. Nirmal Jodhani

#### REGISTERED OFFICE

D- 5, Pushpa Park, 56, S.V. Road,  
Borivali (West), Mumbai – 400092  
.w.e.f. 16<sup>th</sup> May, 2012

#### REGISTRAR & SHARE TRANSFER AGENTS:

System Support Services  
209, Shivai Ind Estate.  
89, Andheri Kurla Road,  
(Next to Logitech Park, Above McDonalds)  
Saki Naka, Andheri E, Mumbai – 400072.  
Tel No.: 91-22-28500835 Fax No.: 91-22-28501438  
Email ID: zoebsss@hotmail.com

#### AUDITORS

M/s Gupta Saharia & Co  
Chartered Accountants

#### SHARES LISTED AT

The Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001

The Ahmedabad Stock Exchange Limited  
Kamdheni Complex, Opp Sahajanand College,  
Panjara Pole, Ahmedabad – 380 015

#### 20<sup>th</sup> ANNUAL GENERAL MEETING

**Date** : 29<sup>th</sup> September, 2012  
**Day** : Saturday  
**Time** : 3.30 P.M.  
**Place** : D- 5, Pushpa Park, 56, S.V. Road,  
Borivali (West), Mumbai – 400092.

## 20th Annual Report 2011-2012

### NOTICE

NOTICE IS HEREBY GIVEN THAT THE 20<sup>th</sup> ANNUAL GENERAL MEETING("the Meeting") OF THE MEMBERS OF E-WHA FOAM INDIA LIMITED("the Company") WILL BE HELD ON SATURDAY THE 29<sup>th</sup> SEPTEMBER, 2012 AT 03.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D-5, PUSHPA PARK, 56, S.V. ROAD, BORIVALI (WEST), MUMBAI – 400092 TO TRANSACT THE FOLLOWING BUSINESS.

\*\*\*\*\*

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2012, the Profit and Loss account for the year ended on that date and the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of **Mr. Priyesh Pethe**, Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of **Mr. Shankar Pandare**, Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint **M/s Gupta Saharia & Co., Chartered Accountants** as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### **SPECIAL BUSINESS:**

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Deepak Rane who was appointed as an Additional Director of the Company by the Board of Directors, pursuant to the Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting, and who is eligible for reappointment under the relevant provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Arun Sharma who was appointed as an Additional Director of the Company by the Board of Directors, pursuant to the Section 260 of the Companies Act, 1956, and who holds office up to the date of this Annual General Meeting, and who is eligible for reappointment under the relevant provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors, for creation of such mortgage, charge, hypothecation, lien and other encumbrances, if any, by the Company, as the Board may deem fit, on the assets of the Company, both present and future, for securing the sum or sum of moneys aggregating to Rs.50,00,00,000/- (Rupees Fifty Crores Only) borrowed by the Company from Banks, Financial Institutions and others.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to finalise and execute such Deeds of Debenture, Debenture Trust Deeds, Promissory Notes, Deposit receipts and other deeds or documents for creating the aforesaid mortgage, charge and/or hypothecation and other encumbrances, if any, by the Company and to do all such acts, deeds, matters and things as may be deemed necessary by giving effect to this resolution."

## E-WHA FOAM INDIA LIMITED

8. To consider and, if thought to pass with or without modifications, the following resolution as an Ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 293 (1) (d) of the Companies Act, 1956 and other enabling provisions, if any, consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sums or sums of moneys for and on behalf of the Company from time to time from any one or more persons, firms, bodies, corporate, bankers, financial institutions, or from others by way of advances, deposits, hypothecation or lien or pledge of the Company’s assets and properties, whether movable or immovable or stock in process and debts, advances notwithstanding the sums or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount upto the moneys may be borrowed shall not exceed Rs.50,00,00,000/- (Rupees Fifty Crores Only) at any point on account of the principal.

**“RESOLVED FURTHER THAT** the Board of Directors may authorise any one director or Committee of directors to do all such acts, deeds, things as may be necessary to give effect to this resolution.”

9. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 163 and all other applicable provisions, if any, of the Companies Act, 1956 the Register of Members, Index of members and other related books to be kept at the premises of the company’s Registrar and Transfer Agents viz. M/s System Support Services, 209, Shivai Industrial Estate, 89, Andheri-Kurla Road, (Next to Logitech Park, Above McDonalds), Sakinaka, Andheri (East), Mumbai-400072, Maharashtra, India.

**RESOLVED FURTHER THAT** the aforesaid Registers shall remain open after the approval by the members of the Company in this Annual General Meeting for inspection during business hours from 2.00 p.m. to 4.00 p.m. except Saturday and any other public holidays at the office of Registrar and Share Transfer Agent.”

10. To consider and, if thought to pass with or without modifications, the following resolution as a Special resolution:

**“RESOLVED THAT** pursuant to Section 21 and all other applicable provisions of the Companies Act, 1956, if any, subject to the approval of Central Government and the shareholders of the Company in general meeting, the name of the Company be and is hereby changed from “E-WHA FOAM INDIA LIMITED” to “BLUE PEARL TEXSPIN LIMITED” or such other name as may be approved by the Registrar of Companies, Maharashtra.

**RESOLVED FURTHER THAT** subject to the approval of the Registrar of Companies, Maharashtra and pursuant to Section 21 and other applicable provisions, if any, of the Companies Act, 1956, the name of “E-WHA FOAM INDIA LIMITED” wherever it appears in the Memorandum and Articles of Association of the Company be substituted by the new name “BLUE PEARL TEXSPIN LIMITED” or such other name as may be approved by the Registrar of Companies, Maharashtra.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such deeds and things and authorise such person(s) as it may deem fit to do all such acts and deeds and sign all such papers and applications as may be necessary or expedient to give effect to the above resolutions.”

11. To Consider and, if thought to pass with or without modifications, the following as a Special Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”), the new set of Articles of Association, as placed before the meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved and adopted as new Articles of Association of the Company in place of and exclusion of the existing Articles of Association of the Company.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and take steps as may be required to give effect to the above resolution.”

## 20th Annual Report 2011-2012

12. To Consider and, if thought to pass with or without modifications, the following as a Special Resolution:

**“RESOLVED THAT** the consent of the Company be and is hereby accorded to the commencement of all or any of the business by the Company as given in below mentioned sub-clauses of Clause III of the Memorandum of Associations namely:

106 “To carry on the business of drapers, costumers, robe, dress and mantle makers, tailors, silk mercers, makers and suppliers of princely wears, clothing, lingerie, and trimmings of every kind, corset makers, furriers, general drapers, haberdashers, milliners, hosiers ,glovers, lace makers and dealers, feather dressers and merchants, hatters, dealers in fabrics and materials, all kinds of synthetics fibers, and to deal in all other kinds of materials as may be conveniently carried on with the above business.

153 “To manufacture, trade, import, export or otherwise deal in men’s women’s and children clothing and wearing apparel of every kind, nature and description including shirts, bush-shirts, pyjamas suits, vests, underwear, suits, foundation garments for ladies dresses, brasseries, maternity belts, knee cops, coats,panties, nighties,vests, underwear,socks, stockings, seaters,lace and so on and of all or anything which is used in hosiery goods”.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded to the Board of Directors to commence the above business, pursuant to the provisions of sub-section (2A) of section 149 of the Act.”

**By Order Of the Board  
For E-WHA FOAM INDIA LIMITED**

**DATE:** 01<sup>st</sup> SEPTEMBER, 2012

**PLACE:** MUMBAI

**Sd/-  
(DIRECTOR)**

### **NOTES:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.**
2. **The Proxy Form to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.**
3. The Register of Members and Share Transfer Register shall remain closed from **Saturday, the 22<sup>nd</sup> September, 2012** to **Saturday the 29<sup>th</sup> September, 2012** (both days inclusive).
4. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
6. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidate their holdings in one folio.

**By Order Of the Board  
For E-WHA FOAM INDIA LIMITED**

**DATE:** 01<sup>st</sup> SEPTEMBER, 2012

**PLACE:** MUMBAI

**Sd/-  
(DIRECTOR)**

## E-WHA FOAM INDIA LIMITED

### **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS**

#### **Item No. 5:**

Mr. Deepak Rane was appointed as an Additional Director of the Company w.e.f 18<sup>th</sup> January, 2012 by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 read with the Article 86 of the Articles of Association of the Company. Mr. Deepak Rane holds office as a Director up to the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as a Director.

The Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, signifying intention to propose Mr. Deepak Rane for the office of the Director.

The Board of Directors considers that in view of the background and experience of Mr. Deepak Rane, it would be in the interest of the Company to appoint him as the Director of the Company.

None of the Directors of the Company other than Mr. Deepak Rane are interested or concerned in the resolution.

#### **Item No. 6:**

Mr. Arun Kumar Sharma was appointed as an Additional Director of the Company w.e.f 30th July, 2012 by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 read with the Article 86 of the Articles of Association of the Company. Mr. Arun Kumar Sharma holds office as a Director up to the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as a Director.

The Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, signifying intention to propose Mr. Arun Kumar Sharma for the office of the Director.

The Board of Directors considers that in view of the background and experience of Mr. Arun Kumar Sharma, it would be in the interest of the Company to appoint him as the Director of the Company.

None of the Directors of the Company other than Mr. Arun Kumar Sharma are interested or concerned in the resolution.

#### **Item No. 7:**

The Borrowings by a Company, in general, is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

Members are requested to give consent to the Board under section 293(1)(a) of the Companies Act, 1956 to mortgage, hypothecate, lease or create any charge on the present or future properties/ assets of the Company for securing loans taken from financial institutions and banks upto a limit of Rs.50,00,00,000/- (Rupees Fifty Crores Only)

The Board of Directors recommends the above resolution for your approval.

None of the Directors of the Company is any way concerned or interested in the said resolution.

#### **Item No. 8:**

In terms of Section 293 (1) (d) of the Companies Act, 1956 the Board of Directors shall not borrow monies where the monies to be borrowed together with the moneys already borrowed (other than the temporary loans obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of the paid up capital and free reserves of the Company, except with the consent of the Company in general meeting.

## 20th Annual Report 2011-2012

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but not exceeding Rs.50,00,00,000/- (Rupees Fifty Crores Only). The resolution at Item no.8, placed for the approval of the Members pursuant to Section 293(1) (d) of the Companies Act, 1956.

The Board of Directors recommends the above resolution for your approval.

None of the Directors of your Company is, in any way, concerned or interested in this resolution.

### **Item No. 9:**

Under the provisions of the Companies Act, 1956, (the "Act") certain documents such as the Register and Index of Members, Register and Index of Debenture holders, other related books and papers etc., are required to be kept at the Registered office of your Company. However, these documents can be kept at any other place within the city, town or village in which the Registered office of the Company is situated, with the approval of the members to be accorded by a Special Resolution.

M/s System Support Services, Mumbai is our Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares held in demat mode and also acting as the Share Transfer Agent for the shares held in the physical segment. Hence, the approval of members is sought in terms of Section 163 (1) of the Act, for keeping the aforementioned Registers and documents at the premises of the RTA as stated in the resolution.

The Board of Directors recommends the above resolution for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

### **Item No. 10:**

Your Company is proposing change of name of the Company from "E-Wha Foam India Limited" to "Blue Pearl Texspin Limited" or such other name as may be approved by the Registrar of Companies, Maharashtra, as the Company plans to venture into Clothing Line business pursuant to Main Objects {Clause (III) (A)(3)} of Memorandum of Association of Company.

The proposed change of name of the Company requires to be approved by members at a general meeting as per provisions of Section 21 and all other applicable provisions, if any, of the Companies Act, 1956. The proposed name is more significant to the activities proposed to be carried out by Company. The proposed name will bring better prospects as well as identity to the Company.

The Board of Directors recommends the above resolution for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

### **Item No.11:**

Your Directors considered that the existing Articles of Association of the Company do not cover latest amendments and it is proposed to amend the existing Articles of Association by adopting a new set of Articles of Association in the place of existing Articles of Association of the Company.

In terms of Section 31 of the Companies Act, 1956, the consent of the members by way of Special Resolution is required for adoption new set of Articles of Association of the Company.

## E-WHA FOAM INDIA LIMITED

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered office of the Company during the office hours on all working days, except Saturdays & Public Holidays, between 2.00 p.m. and 4.00 p.m. up to the date of the Extra Ordinary General Meeting and during the Extra Ordinary General Meeting.

The Board of Directors recommends the above resolution for your approval.

None of the Directors is interested or concerned in this resolution.

### **Item No.12:**

The provisions of Section 149(2A) of the Companies Act,1956 require approval of the shareholders by means of a Special Resolution for commencing business listed under the "Other Objects" as mentioned under Sub Clause 106 & 153 of the Memorandum of Association of the Company in terms of Section13(1)(d)(ii) of the Companies Act,1956.

The Company plans to venture in Apparel/ Clothing line business. These activities will give synergy of operations and improved financials in coming years.

The Board of Directors recommends the above resolution for your approval.

None of the Directors is interested or concerned in this resolution.

**DATE:** 01<sup>st</sup> SEPTEMBER, 2012

**PLACE:** MUMBAI

**By Order Of the Board  
For E-WHA FOAM INDIA LIMITED**

**Sd/-  
(DIRECTOR)**



## 20th Annual Report 2011-2012

### **DIRECTORS' REPORT TO THE SHAREHOLDERS**

To,  
The Members,  
**E-WHA FOAM INDIA LIMITED**  
D- 5, Pushpa Park,  
56, S.V. Road,  
Borivali (West),  
Mumbai – 400092.

Your Directors have great pleasure in presenting **20<sup>th</sup> ANNUAL REPORT** along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31<sup>st</sup> March, 2012.

#### **1. FINANCIAL RESULTS:**

The financial Results are briefly indicated below:

(Amt in Rs.)

PARTIULARS	YEAR ENDED	
	2011-2012	2010-2011
Total Income	14,48,322	-
Total Expenditure	17,83,205	2,16,472
Profit/(Loss) before Taxation	(3,34,883)	(2,16,472)
Profit/(Loss) after Taxation	(3,34,883)	(2,16,472)
Profit/(Loss) Brought Forward	(5,18,68,676)	(5,16,52,204)
Balance carried to Balance Sheet	(5,22,03,559)	(5,18,68,676)

#### **2. REVIEW OF OPERATIONS:**

The Company has incurred losses of Rs 3,34,883/- during financial year. Your Directors expects to achieve better performance in the future and taking maximum efforts to control the costs and optimize the result in the coming years.

#### **3. DIVIDEND:**

In view of losses your Directors do not recommend any dividend as such.

#### **4. DEPOSITS:**

The Company has not accepted any deposits from the Public.

#### **5. PARTICULARS OF EMPLOYEES:**

There were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as set out in terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

#### **6. DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Deepak Rane and Mr. Arun Kumar Sharma was appointed as the Additional Directors of the Company w.e.f 18<sup>th</sup> January, 2012 and 30<sup>th</sup> July, 2012 respectively. Pursuant to Section 260 of the Companies Act, 1956, the additional director of the Company holds the office up to the forthcoming Annual General Meeting of the Company, hence members are requested to re-appoint them in the forthcoming Annual General Meeting of the Company.

During the year Mr. Priyesh Pethe and Mr. Shankar Pandare, Directors retire by rotation and being eligible has offered themselves for re-appointment. The members are requested to re-appoint them in the forthcoming Annual General Meeting.

**7. SUBSIDIARIES:**

Since the Company has no subsidiaries, provisions of section 212 of the Companies Act, 1956 is not applicable.

**8. DIRECTOR'S RESPONSIBILITY STATEMENT:**

The Board of Directors hereby confirms:

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or Loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

**9. CONSERVATION OF ENERGY & TECHNOLOGY ABSORBTION:**

Since the Company is not a manufacturing unit provisions of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable.

**10. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year under review, besides the transactions reported elsewhere, there were no other Foreign Exchange transactions.

**11. AUDITORS:**

The Board recommends appointment of **M/s Gupta Saharia & Co., Chartered Accountants** as Statutory Auditors of the Company for the financial year 2012-2013, who have also confirmed that their appointment shall be within limits specified under section 224 (1B) of the Companies Act, 1956.

**12. AUDITORS REPORT:**

Since notes to account are self explanatory, no further explanation is given by the Board as such.

**13. COMMITTEES OF THE BOARD:**

Pursuant to Section 292A of the Companies Act, 1956 and clause 49 of Listing Agreement, the Company has formed Audit Committee. Besides this the Company has also formed Shareholder / Investor Grievance Committee to redress investor's complaint, if any.