

# **MITSHI INDIA LTD.**

**(Formerly known as Dera Paints & Chemicals Ltd.)**



**27<sup>th</sup> Annual Report  
2016-17**

# MITSHI INDIA LIMITED (FORMERLY KNOWN AS DERA PAINTS & CHEMICALS LTD.)

CIN:- U91100MH1990PLC057373



## **BOARD OF DIRECTORS**

Shri Kumar V. Shah	-	Chairman & Managing Director - DIN NO :-01451912
Shri H.A. Salunkhe	-	Non Executive / Independent Director - DIN NO :-03626114
Shri Hasmukh Patel	-	Non Executive / Independent Director - DIN-00103811
Ms. Drashti T Savla	-	Non Executive / Independent Women Director - DIN-07117018

## **AUDITORS**

C.K. Patil & Co.  
Chartered Accountants

## **SOLICITORS & LEGAL ADVISORS**

Dhru & Company

## **AUDIT COMMITTEE**

Shri H.A. Salunkhe	-	Non Executive / Independent Director
Shri Hasmukh Patel	-	Non Executive / Independent Director

## **SHARE TRANSFER/STAKE HOLDERS COMMITTEE**

Shri. Kumar V. Shah	-	Chairman & Managing Director
Shri H.A. Salunkhe	-	Non Executive / Independent Director

## **NOMINATION & REMUNERATION COMMITTEE**

Shri H.A. Salunkhe	-	Non Executive / Independent Director
Shri Hasmukh Patel	-	Non Executive / Independent Director

## **RISK MANAGEMENT COMMITTEE**

Shri. Kumar V. Shah	-	Chairman & Managing Director
Shri H.A. Salunkhe	-	Non Executive / Independent Director

## **BANK**

Sangali Sahakari Bank

## **REGISTERED OFFICE**

2, Juhu Aradhana CHS Ltd.,  
Juhu Lane, Mumbai 400 058  
Maharashtra. INDIA

## **REGISTRAR & SHARES TRANSFER AGENT**

Adroit Corporate Services Ltd.  
9, Jaferbhoy Industrial Estate  
Makawana Road, Marol Naka, Mumbai - 400059.

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## **NOTICE TO THE MEMBERS**

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of Mitshi India Limited will be held on Saturday the 9<sup>th</sup> day of September, 2017 at 9 a.m. at Emerald Club hall, Royal palms, Aarey colony Goregaon (e) Mumbai-400065 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2017, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kumar V. Shah, who retires by rotation, and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s A. A. Siddiqui & Co., Chartered Accountants, (Firm Registration No. 143081W, be and is hereby appointed as Auditors of the Company to hold office from the conclusion of 27<sup>th</sup> AGM till the conclusion of the 30<sup>th</sup> AGM of the Company to be held in the year 2020 (subject to ratification of their appointment at every AGM), at such Remuneration plus service tax, out of pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### **SPECIAL BUSINESS**

#### **4. To approve increase in Authorized share Capital of the Company**

To consider and, if thought fit, to pass with or without Modification, the following resolution as an Ordinary Resolution

“**RESOLVED THAT** pursuant to provisions of 61 and all other applicable , if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in provisional force) and other enabling provisions of Articles of Association and subject to such approvals, permissions, consents and sanctions from any authority if applicable, the Authorised share capital of the Company be increased from ₹ 8,50,0000/- (Rupees Eight Crores Fifty Lakhs) only divided into 85,00,000 (eighty five) equity shares of ₹ 10/- each to ₹ 10,00,00,000/- (Rupees Ten Crores only) divided into (100,00,000) (One Crore) equity shares of ₹ 10/- each by creation of 15,00,000 (Fifteen lakh) Equity Shares of ₹ 10/- each ranking pari passu with the existing shares of the Company.”

#### **5. To approve alteration of clause V of the Memorandum of Association of the Company due to increase in Authorized share Capital of the Company**

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

“**RESOLVED THAT** pursuant to provisions of 13 and all other applicable , if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) the existing clause V of the Memorandum of Association of the Company be and is hereby substituted with following

- V. The Authorised Share Capital of the Company is ₹ 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore ) Equity Shares of ₹ 10/- each. The Company has power from time to time to increase or reduce its Capital in accordance with the Company's regulations and Provisions for the time being in force and with powers to the Company to modify the right attached thereon and to sub-divide the Shares into Shares which may be issued with any preferential right, redeemable or irredeemable, privileges and conditions attached thereto whether in regards to dividends and returns of Capital or otherwise.”

#### **6. To approve alteration of Article No. 3 of the Articles of Association of the Company due to increase in Authorized share Capital of the Company**

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

“**RESOLVED THAT** pursuant to provisions of 13 and all other applicable , if any, of the Companies Act, 2013 (including



any statutory modification(s) or re-enactment thereof for the time being in force) the existing Article 3 of the Articles of Association of the Company be and is hereby substituted with following

The Authorised Share Capital of the Company is ₹ 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of ₹ 10/- each.”

## 7. To approve issue of equity shares on Preferential Basis

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

“**RESOLVED THAT** pursuant to provisions of section 62 and all other applicable provisions, if any of the Companies Act, 2013, Rules framed under it (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the existing Securities And Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as “SEBI (ICDR) Regulations”) and other Regulations/Guidelines issued by the Securities and Exchange Board of India (SEBI) and other applicable laws, as may be required, and subject to all necessary approvals, consents, permission and/or sanctions of the Government of India, Reserve Bank of India (RBI), Foreign Investment Promotion Board, SEBI and/or any other competent authorities and the enabling provisions of Memorandum of Association and Articles of Association of the Company and the Listing Agreement entered into by the Company with Stock Exchanges where the shares of the Company are listed and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and which may be agreed to by the Board of Directors of the Company and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include any Committee which the Board may constitute to exercise its powers including powers conferred by this Resolution), the consent and approval of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized in its absolute discretion to offer, issue and allot, on preferential basis upto 12,00,000 (Twelve Lakhs) Equity shares of face value of ₹ 10/- each at a price of ₹ 15/- (Rupees Fifteen only) per share or at a price being not lower than the minimum price calculated in accordance with the Regulations for Preferential Issue contained in Chapter VII of the SEBI (ICDR) Regulations as amended, which ever is higher, to the following person mentioned below on a preferential basis

Sr. No.	Name of Applicant	Share Application No.	Applied quantity	₹ 10/- per shar Plus ₹ 5/- premium per shares	Amount
1	MAHASUKH JAYNTILAL PATWA	1	66,667	15	1,000,000
2	MAHASUKH JAYNTILAL PATWA	2	66,667	15	1,000,000
3	RINKU NIKET PATEL	3	106,667	15	1,600,000
4	SOLFIC INFOTEC PVT LTD	4	106,667	15	1,600,000
5	SAILESH RAJNIKANT VORA	5	66,667	15	1,000,000
6	VINIT JAGDISH RITA	6	36,000	15	540,000
7	YOUNGESH RAYSHI RITAA	7	36,000	15	540,000
8	KESAR JAGDISH RITA	8	72,000	15	1,080,000
9	HIMANSHU SHANTILAL GALA	9	66,667	15	1,000,000
10	SOLFIC INFOTEC PVT LTD	10	133,333	15	2,000,000
11	ASSET ALLIANCE SECURITIES PVT LTD-PALANI SONAR-DIRECTOR	11	133,333	15	2,000,000
12	SANJAY MAGANLAL MEHTA	10	133,333	15	2,000,000
13	SOLFIC INFOTEC PVT LTD	13	76,000	15	1,140,000
14	SANJAY MAGANLAL MEHTA	12	100,000	15	1,500,000
			1,200,000		18,000,000



**RESOLVED FURTHER THAT** the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue and also to vary, alter or modify any of the terms and conditions in the proposal as may be required by the agencies/authorities involved in such issues but subject to such conditions as the RBI/SEBI/Financial Institutions/Investment Institutions and/or such other appropriate authority may impose at the time of their approval and as agreed to by the Board.

**RESOLVED FURTHER THAT** the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** the relevant date, as stipulated in the Regulation 73(4) of SEBI (ICDR) Regulations for determination of the Issue Price of equity shares.

**RESOLVED FURTHER THAT** the aforesaid Equity Shares shall rank pari passu in all respects with the existing equity shares of the Company including Dividend. The equity shares allotted on preferential basis shall be locked in from the date of their allotment for such period as prescribed in Regulation 78 of SEBI (ICDR) Regulations.

**RESOLVED FURTHER THAT** for the purpose of creating, issuing, offering and allotting Equity Shares of the Company as aforesaid, the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respects and in particular to settle any questions, difficulties or doubts that may arise with regard to the offering, issuing and allotting of the Equity Shares of the Company, as it may in its absolute discretion, deem fit and proper.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized, to list the Equity Shares on all the Stock Exchanges where the shares of the Company are listed and also to authorize, at its discretion, any other member of the Board or Committee, to do all the necessary deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this Resolution."

**8. INCREASE IN THE BORROWING LIMITS:**

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

**"RESOLVED THAT** in terms of Section 180 (1) (c) of the Companies Act, 2013 and any 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 of the Company for borrowing from time to time, the sums of which, together with the monies already borrowed by the company (Apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up-capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not, at any time, exceed ₹ 500 Crores (Rupees Five Hundred Corers only).

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorised to do all such acts, deeds, matters and things and execute all documents, writings etc. as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorized one of the director to enter into a separate Memorandum of Understanding with Lender/s to borrow monies for company's various divisions.

**RESOLVED FURTHER THAT** Kumar V Shah Managing Director of the company be and is hereby authorized to sign and execute all documents, writings etc. as may be necessary, proper or expedient for the purpose of giving effect to this Memorandum of Understanding."

**9. CREATION OF CHARGE:**

To consider and if thought fit, to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION:**

**"RESOLVED THAT** in terms of Section 180 (1) (a) of the Companies Act, 2013 and any 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 of the Company to create such charges, Lien, mortgages and hypothecations in addition to the existing charges, mortgages and



hypothecations created by the Company fully or partly, on all (1) movable and immovable properties of the Company, (2) Tangible & Intangible assets of the Company, (3) Existing & future Market value of Brand with Division or without Division of the Company, wherever situated, both present and future and the whole / part of the undertaking of the Company in favour of Private lender, Merchant bankers, Private Equity(PE) Investors, bankers and/or Financial Institutions or Persons/Individual for securing the repayment of Loan, Term Loan, Cash Credit, Advances or such others borrowing facilities received or to be received on such terms and condition as may be agreed between the parties .

**RESOLVED FURTHER THAT** the Board of Directors of the company be and is hereby authorized one of the director to do all such acts, deeds, agreement , matters and things and execute all documents, writings etc. as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

**10. To Reappoint Mr. Kuamr V. Shah as Managing Director of the Company**

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

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Kumar V. Shah (DIN: 01451912 as Managing Director and Chief Executive Officer (CEO) of the Company, liable to retire by rotation as Director, for a period of five years with effect from 1<sup>st</sup> August, 2017 on the following terms :

- (a) Remuneration including perquisites, commission and contributions for retirement benefits: Maximum ₹ 60,00,000/=(Sixty lakhs) per annum;
- (b) Car, expenses incurred for car and driver, free furnished accommodation, communication facilities such as cell phones, residential phone and rental charges thereof, medical insurance coverage for self and family as per the Company's Rules, encashment of leave at the end of the tenure as per the Company's Rules and fees of clubs subject to a maximum of two clubs will not be included for the purpose of computation of the aforesaid ceiling of remuneration;
- (c) Mr. Kumar Shah will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board. Mr Kumar Shah will act in accordance with the Articles of Association of the Company, abide by the provisions contained in Section 166 of the Act with regard to duties of directors and will adhere to the Company's Code of Conduct and all other applicable policies;
- (d) The office of the Managing Director & CEO may be terminated by either of the Company or the Managing Director by giving the other 3 (three) months' prior notice in writing;
- (e) Where in any financial year during the currency of his tenure, the Company has no profits or inadequate profits, Mr. Kumar Shah shall be paid minimum remuneration as may be determined by the Board of Directors (which shall be deemed to include any Committee thereof including the Compensation and Nomination and Remuneration Committee) which shall also have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors (which shall be deemed to include any Committee thereof including the Compensation and Nomination and Remuneration Committee) be and is hereby authorized to finalise the remuneration to be received by Mr. Kumar Shah every year within the aforesaid limit.



**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board

**Kumar Shah**

**Chairman and Managing Director**

**Registered Office:**

2, Juhu Aradhana, Chs Ltd.  
Juhu lane, Mumbai - 400 058.  
Place : Mumbai  
Date : 30/05/2017

**NOTES**

1. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A statement giving the relevant details of the Director seeking re-appointment under Item Nos. 11 of the accompanying Notice, as required by Schedule V, Part II, Section I (v) of the Companies Act, 2013 is annexed herewith.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.  
  
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

The members are requested to get their shares dematerialized. The company's ISIN Code is INE844DO1017.





10. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:

**a) [info@adroticorporate.com/dpclig@gmail.com/Contact@mitshi.in](mailto:info@adroticorporate.com/dpclig@gmail.com/Contact@mitshi.in)**

The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

11. (a) In accordance with the provision of section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members. The company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com) during the following voting period:

Commencement of e-voting : From 9.00 a.m. on 06/09/2017

End of e-voting : Up to 5.00 p.m. on 08/09/2017

E-voting shall not be allowed beyond 08/09/2017. During the E-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is 08/09/2017.

- (b) The company has engaged the services of Central Depository Services Ltd. (CDSL) as the Authorized Agency to provide e-voting facilities.
- (c) The company has appointed Jignesh M. Pandya, Practising Company Secretary as ‘scrutinizer’ for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- (d) The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (e) “Voting by electronic means” or “electronic voting system” means a ‘secured system’ based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate ‘cyber security’.

It also helps the shareholders to cast their vote from anywhere and at any time during E-voting period.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.

13. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company’s website [www.mitshi.in](http://www.mitshi.in)





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4,5,6,7,8,9,10,11 of the accompanying Notice dated 30<sup>th</sup> May, 2017

**ITEM NO. 3**

As per provisions of section 139(2) of the Companies Act, 2013, a listed company cannot appoint an individual as auditor for more than one term of five consecutive years and in the case of existing companies, time of three years was given for compliance of this provision. M/s C. K. Patil & Co., present auditor was appointed to hold office of Auditor for the period of three years upto conclusion of 27<sup>th</sup> AGM for the financial year, 2017.

In order to ensure proper compliance of the said provisions, it has been proposed to appoint M/s. A. A. Siddiqui & Co, Chartered Accountant as Auditors of the Company for the period of 3 years.

The Company has received consent of the said M/s A. A. Siddiqui & Co for proposed appointment to accept the said appointment as Auditor and he satisfies the criteria provided in section 141 of the Companies Act, 2013.

None of the Directors or key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

**ITEM NO. 4**

**To approve increase in Authorized share Capital of the Company**

The Company is planning to expand its activities in big way. For the same, it will need lot of funds and considering Company's accumulated losses, it will be beneficial to raise funds through issue of new equity shares. For the same, it has been proposed to increase the Authorized Share Capital of the Company.

Necessary resolution has been provided for the same at item no. 4 of the Notice. Your Directors recommend passing of the said resolution as the same is beneficial to the Company.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the proposed resolution.

**ITEM NO. 5 & 6**

**To approve alteration of the Memorandum and Articles of Association of the Company due to increase in Authorized share Capital of the Company**

The proposed increase in Authorized Share capital requires consequential alteration to clause v of the Memorandum of Association and Article No. 3 of the Articles of Association of the company. As per applicable provisions of Companies Act, 2013, such alterations require approval of members.

Necessary resolutions have been provided for the same at item no. 6 & 7 of the Notice. Your Directors recommend passing of the said resolution as the same is beneficial to the Company.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the proposed resolution.

**ITEM NO. 7**

**To approve issue of equity shares on Preferential Basis**

The Company due to its financial position is not in a position to raise finance from the banks, institutions etc.. Accordingly, it has been proposed to issue equity shares on preferential basis which enable the Company to avail the funds on a long term basis at lower cost which will be very useful for its business activities in a larger way.



Additional disclosures as required under the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended thereof ( hereinafter referred to as “ SEBI (ICDR) Regulations”

- a) **OBJECTS OF THE ISSUE:** The Company intends to use the money raised by issue of shares on preferential basis to pay the creditors as well as to improve its net worth which will help the Company to expand its activities for new business.
- b) **PROPOSAL OF THE PROMOTERS/DIRECTORS/KEY MANAGEMENT PERSONNEL TO SUBSCRIBE TO THE OFFER:** None of the Promoter/Director/Persons in Promoter Group/ Key Management Persons are subscribing to the offer.
- c) **SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER THE PROPOSED ISSUE:**

Category	Pre preferential issue		Post preferential issue	
	No of Shares	%	No of Shares	%
Promoters and Promoter Group (A)	14,10,070	18.55 (A) / (A)+(B)	14,10,070	16.02
Public (B)	61,89,930	81.45 (B) / (A)+(B)	73,89,930	83.98
Total (A) + (B)	76,00,000	100.00	88,00,000	100.00
Custodian (C)	0	0	0	0
Grand Total (A) + (B) + (C)	76,00,000	100.00	88,00,000	100.00

- d) **PROPOSED TIME WITHIN WHICH ALLOTMENT SHALL BE COMPLETED:** In accordance with Regulation 74(1) of the SEBI (ICDR) Regulations, the Company shall complete the allotment of the Equity shares pursuant to the Special Resolution at Item No. 8 of the Notice within a period of 15 days from the passing this resolution by the shareholders or where the allotment on preferential basis is pending for any approval or order/permission by any regulatory authority including Stock Exchanges or the Central Government, the period of fifteen days shall be counted from the date of order on such application or the date of approval or permission, as the case may be.
- e) **IDENTITY OF ALLOTTEE WITH PERCENTAGE OF EXPANDED CAPITAL THAT MAY BE HELD BY IT, PERCENTAGE OF POST PREFERENTIAL ISSUE HELD BY IT AND CHANGE OF CONTROL:** The proposed allottees of 12,00,000 equity shares issued pursuant to the special resolution at Item No. 8 of the Notice and the percentage of the expanded capital to be held by it after the proposed allotment of the said equity shares to it is as under:

Sr. No.	Name of Applicant	Share Application No.	Applied quantity	₹ 10/- per shar Plus ₹ 5/- premium per shares	Amount
1	MAHASUKH JAYNTILAL PATWA	1	66,667	15	1,000,000
2	MAHASUKH JAYNTILAL PATWA	2	66,667	15	1,000,000
3	RINKU NIKET PATEL	3	106,667	15	1,600,000
4	SOLFIC INFOTEC PVT LTD	4	106,667	15	1,600,000
5	SAILESH RAJNIKANT VORA	5	66,667	15	1,000,000
6	VINIT JAGDISH RITA	6	36,000	15	540,000
7	YOUNGESH RAYSHI RITAA	7	36,000	15	540,000
8	KESAR JAGDISH RITA	8	72,000	15	1,080,000
9	HIMANSHU SHANTILAL GALA	9	66,667	15	1,000,000



Sr. No.	Name of Applicant	Share Application No.	Applied quantity	₹ 10/- per shar Plus ₹ 5/- premium per shares	Amount
10	SOLFIC INFOTEC PVT LTD	10	133,333	15	2,000,000
11	ASSET ALLIANCE SECURITIES PVT LTD-PALANI SONAR-DIRECTOR	11	133,333	15	2,000,000
12	SANJAY MAGANLAL MEHTA	10	133,333	15	2,000,000
13	SOLFIC INFOTEC PVT LTD	13	76,000	15	1,140,000
14	SANJAY MAGANLAL MEHTA	12	100,000	15	1,500,000
			1,200,000		18,000,000

The proposed allottees are NON PROMOTERS.

The percentage of post issue held by Promoters will be holding 16.02 %. The existing promoters of the Company will continue to be in control of the Company and there will not be any changes in the management/control of the company as a result of the proposed preferential allotment.

- f) **PRICING:** The issue of equity shares of ₹ 10/- each on preferential basis shall be at a price of ₹ 15/- per share or at a price being not lower than the minimum price determined in accordance with Regulation 76 of the SEBI (ICDR) Regulations for preferential issue, which ever is higher.
- g) **UNDERTAKING:** The Company undertakes that, if the amount payable on account of the re-computation of price is not paid within the stipulated in SEBI (ISDR) Regulations, the specified equity shares will continue to be locked –in till such time such amount is paid by the allottees.
- h) **LOCK-IN PERIOD:** The equity shares allotted on preferential basis shall be locked in from the date of their allotment for such period as prescribe in Regulation 78 of SEBI (ICDR) Regulations.
- i) **CERTIFICATE FROM AUDITORS:** The Certificate from the Statutory Auditors of the Company, certifying that the issue of securities on the above terms is in accordance with SEBI( ICDR) Regulations on preferential issue will be available for inspection at the Registered Office of the Company on all working days from 11.00 a.m. to 1.00 p.m. upto 04/09/2017. Section 62 of the Companies Act, 2013 provides, inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares etc., such shares shall be offered to the existing shareholders of the Company in the manner laid down in Section 62 unless the shareholders in the general meeting decide otherwise by passing a Special Resolution. Hence, consent of the shareholders by way of a Special Resolution is being sought pursuant to Section 62 and all other applicable provisions of Companies Act, 2013 and Rules framed under it and in terms of the provisions of the SEBI ( ICDR) Regulations, 2009 and listing agreement executed by the Company with the Stock Exchange where the Company's shares are listed.

#### ITEM NO. 8

##### INCREASE IN THE BORROWING LIMITS

Section 180(1) (c) of the Companies Act, 2013, inter-alia, provides that the Board of Directors of the Company can borrow monies in excess of the aggregate of the paid-up capital and free reserves of the Company only with the approval of the members.

Keeping in view of the proposed business activities, the Company may have to borrow funds from Banks, Financial Institutions etc.

Necessary resolution has been provide for the same at item no. 9 of the Notice. Your Directors recommend passing of the said resolution as the same is beneficial to the Company.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the proposed resolution.



**ITEM NO. 9**

**CREATION OF CHARGE:**

Section 180(1) (a) of the Companies Act, 2013, inter-alia, provides that the Board of Directors of the Company shall not, without the consent in general meeting, sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole, or substantially the whole of any such undertakings.

The company may avail various credit facilities and for the said facilities it require to offer its properties etc. as security and create charge on it. Since the mortgage and/or creation of charge by the company on its immovable or movable properties in favour of lenders may be regarded as disposal of the company's properties/undertakings, it is felt necessary to obtain the approval of the members for the resolution under section 180 (1) (a) of the Companies Act, 2013 for creation of Charge / mortgage on the Company's properties in favour of the lenders.

Necessary resolution has been provide for the same at item no. 10 of the Notice. Your Directors recommend passing of the said resolution as the same is beneficial to the Company.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the proposed resolution.

**ITEM NO. 10**

**To reappoint Mr. Kuamr V. Shah as Managing Director of the Company**

Mr. Kumar V. Shah was appointed as Managing Director of the Company by the Board of Directors at its meeting held on 3<sup>rd</sup> September, 2012 for a period of five years from 1<sup>st</sup> August, 2012. Mr. Kumar Shah's appointment as Managing Director was approved by the Members at the Annual General Meeting held on 27<sup>th</sup> September, 2012 and will expire with close of business on 30<sup>th</sup> July, 2017.

Mr. Kumar V. Shah is a Founder and Chief Promoter has been associated with the Company since its incorporation. His valuable experience in the Paints & Chemicals Industry for more than twenty five years will greatly benefit the business of the Company. His hard work and untiring efforts are mainly responsible for turnaround of the Company. The Remuneration Committee has considered his major contribution in managing the affairs of the Company and recommended his reappointment.

Accordingly, pursuant to Section 196(2), 197 and 203 of the Companies Act, 2013 ("the Act"), approval of the Members is being sought now pursuant to second proviso of Section 196 of the Act which requires re-appointment shall not be made earlier than one year before the expiry of the term of the person appointed as Managing Director.

The terms and conditions proposed in the resolution set out at Item No. 11 of the Notice are keeping in line with the remuneration package that is necessary for important position as that of the Managing Director. The same terms will be applicable from 1<sup>st</sup> August 2017. The resolution empowers the Board of Directors (which shall be deemed to include any Committee thereof including the Compensation and Nomination and Remuneration Committee) to finalise the remuneration payable to Mr. Kumar V. Shah every year within the limit sanctioned by the Members.

Mr. Kumar V. Shah satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.



The proposed resolution together with this explanatory statement may be treated as a written memorandum setting out the terms of re-appointment of Mr. Kumar V. Shah under Section 190 of the Act.

The Board of Directors recommend passing of the said Resolution.

Mr. Kumar V. Shah is interested in the resolution set out at Item no. 11. No other Director / Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in respect of the said resolution.

By Order of the Board

**Kumar Shah**

**Chairman and Managing Director**

**Registered Office:**

2, Juhu Aradhana, Chs Ltd.

Juhu lane, Mumbai - 400 058.

Place : Mumbai

Date : 30/05/2017

**The e-Voting process to be followed by the shareholders to cast their votes:**

- The security holders should log on to [www.evotingindia.com](http://www.evotingindia.com) during the duration of the voting period and cast their votes for the resolutions on the e-Voting System.
- Shareholders who have voted on an earlier instance of voting can login using their existing password.
- First time shareholders can login to the e-Voting system using their user-id (i.e. demat account number / folio number), PAN and Date of Birth (DOB) or Bank account number mentioned for the said demat account or folio. Physical shareholders will have to login with the Folio number, PAN and either DOB or Dividend Bank details for every voting.
- After logging in, demat security holders will have to mandatorily change their password. This password can be used by demat security holders for all future voting on resolutions of companies in which they are eligible to vote. Security holders have to then select the EVSN for which they desire to vote.
- Security holders can then cast their vote on the resolutions available for voting.
- Security holders can also view the resolution details on the e-Voting website.
- Once the security holder casts the vote, the system will not allow modification of the same.
- During the voting period, security holders can login any number of times till they have voted on all the resolutions. However, once the security holder has voted on a resolution he/she would not be able to vote for the same resolution but, only view the voting.

**e-Voting for Non-Individuals and Custodians:**

- Non-Individual 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 Shareholders and Custodians respectively.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evotingindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

#### **e-Voting for Scrutinizers:**

At the end of the voting period, the scrutinizer can download the entire voting data using the Scrutinizer login.

#### **ANNEXURE TO ITEMS 11 OF THE NOTICE**

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting

<b>Name of the Director</b>	<b>Mr. Kumar V. Shah</b>
Director Identification Number (DIN)	01451912
Date of Birth	06 <sup>TH</sup> JANUARY, 1958
Nationality	INDIAN
Date of Appointment on Board	21-09-1990
Qualification	INTER B.COM
Shareholding in Mitshi India Limited	11.38%
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL

By Order of the Board  
**Kumar Shah**  
Chairman and Managing Director

Place : Mumbai  
Date : 30/05/ 2017



**DIRECTORS' REPORT**

To,

The Members,

Your Directors have pleasure in presenting their 27<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

**1. Financial summary or highlights/Performance of the Company (Standalone)**

<b>PARTICULARS</b>	<b>2016-2017</b>	<b>2015-2016</b>
Gross Income	2362614	1605403
Profit Before Interest and Depreciation	(2390218)	(1080554)
Finance Charges	166	480
Gross Profit	(2390384)	(1081034)
Provision for Depreciation	288960	136072
Net Profit Before Tax	(2679344)	(1217106)
Provision for Tax	0	0
Net Profit After Tax	(2679344)	(1217106)
Balance of Profit brought forward	(133400884)	(132183778)
Balance available for appropriation	(136080228)	(133400884)
Proposed Dividend on Equity Shares	0	0
Tax on proposed Dividend	0	0
Transfer to General Reserve	0	0
Surplus carried to Balance Sheet	(136080228)	(133400884)

**2. Brief description of the Company's working during the year/State of Company's affair**

Your Company has already started various activities to generate revenue.

During the year company made Loss of 26.79 Lacs as compared to previous year's loss of 12.17 Lacs mainly due to expenses incurred for restructuring the Company

**Change in the nature of business, if any**

There is no change in the nature of business of the Company.

**3. Dividend**

In view of the loss, the Directors are unable to recommend any dividend for the year.

**4. Reserves**

No amounts are transferred to Reserves in view of Losses

**5. Share Capital**

**ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS**

The company has not issued any shares with differential rights under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 [Chapter IV] . Hence, no details are provided for it.





## ISSUE OF SWEAT EQUITY SHARE

The company has not issued any shares under the provision Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014. Hence, no details are provided for it.

### 6. Directors and Key Managerial Personnel

Mr. Kumar V. Shah, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

### 7. Particulars of Employees

The Company has no employees in respect of whom information is to be furnished under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees of the Company.

### 8. Meetings

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 6 Board Meetings and 4 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### 9. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### 10. Declaration by an Independent Director(s) and re- appointment, if any

The Company has received declarations from all the Independent Director(s) confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and clause 49 of the Listing Agreement.

### 11. Remuneration Policy

The Board will on the recommendation of the Nomination & Remuneration Committee frame a policy for selection and appointment of Directors, Senior Management and their remuneration.

### 12. Managerial Remuneration:

During the year under review, Mr. Kuamr V. Shah, Chairman and Managing Director was paid ₹ 9,22,500/- as remuneration.

### 13. Details of Subsidiary/Joint Ventures/Associate Companies

Pursuant to sub-section (3) of section 129 of the Act, there are no subsidiary/joint ventures/associate companies. Hence, the said details are not provided.

### 14. Auditors:

It has been proposed to appoint A. A. Siddiqui & Co., Chartered Accountants as Auditors of the Company for the period of 3 years in view of provisions of section 139(2) of the Companies Act, 2013.

As per provisions of section 139(2) of the Companies Act, 2013, a listed company cannot appoint an individual as auditor for more than one term of five consecutive years and the in case of existing companies, time of three years was given for compliance of this provision.



**15. Auditors' Report**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

**16. Disclosure about Cost Audit**

During the year, the Cost Audit was not applicable to the Company and hence no details are provide for it.

**17. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, M/s. Jignesh M. Pandya & Co., Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure III** to this report.

Regarding qualification and remarks in the Secretarial audit report , your Board offer following explanations.

Explanation Note. Non Compliance of section 203 of the Companies Act, 2013 with respect to Non appointment of full time Company Secretary

Explanation Note. Your Company was not able to appoint a full time Company Secretary considering its financial position. However, your company will appoint the same in the current financial year.

Other than the above, the report is self-explanatory and do not call for any further comments.

**18. Internal Audit & Controls**

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. As the Company is a sick company, it has not appointed Internal Auditor.

**19. Issue of employee stock options**

During the year under review, the Company has not issued any employee stock options and accordingly no details are provided for it.

**20. Vigil Mechanism :**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

**21. Risk management policy**

Pursuant to section 134(3)(n) of the Companies Act, 2013 and clause 49 of the listing agreement, the company has framed a risk management policy for the Company including identification therein of elements of risk, if any, which in opinion of the Board may threaten the existence of the company.

At present the company has not identified any element of risk which may threaten the existence of the Company.

**22. Extract of Annual Return:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**.

**23. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

There are no material changes and commitments affecting financial position of the Company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.



**24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There are not significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**25. Deposits**

During the year, the Company has not accepted any deposits from public.

**26. Particulars of loans, guarantees or investments under section 186**

**Details of Loans:**

SL. No.	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
			NIL						

**Details of Investments:-**

SL. No.	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
			NIL				

**Details of Guarantee / Security Provided:**

SL. No.	Date of providing security/ guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
			NIL				

**27. Particulars of contracts or arrangements with related parties:**

There are no contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third provision.

**28. Corporate Governance Certificate**

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is annexed with the report.

**29. Management Discussion and Analysis-**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March, 2017.



**Statutory Disclosures**

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, the names and other particulars of the employees are set out in the annexure to the Directors' Report. The company does not have any employee under the said category.

**30. The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace as required under provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013y. During the year Company has not received any complaint of harassment.

**31. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

The Company has not carried out any manufacturing activity during the year.

**(a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	Not Applicable
(ii)	the steps taken by the company for utilizing alternate sources of energy	Not Applicable
(iii)	the capital investment on energy conservation equipment's	Not Applicable

**(b) Technology absorption**

(i)	the efforts made towards technology absorption	Not Applicable
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not Applicable
	(a) the details of technology imported	Not Applicable
	(b) the year of import;	Not Applicable
	(c) whether the technology been fully absorbed	Not Applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
(iv)	the expenditure incurred on Research and Development	Not Applicable

**(c) Foreign exchange earnings and Outgo**

There were no earning or outgo in Foreign Exchange during the Current year and Previous year.

**32. Corporate Social Responsibility (CSR)**

Due to losses incurred, the Company was not required to spent any amount towards Social Responsibility, and hence no details for the same are provided.

**33. Directors' Responsibility Statement**

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3) (c)read with section 134(5) of the Companies Act, 2013 and Clause 49 (III) (D) (4) of the listing Agreement with Stock Exchanges —

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;



- (b) 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 loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**34. Transfer of Amounts to Investor Education and Protection Fund**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**35. Listing With Stock Exchanges :**

The Company had requested BSE for installment in payment of listing fees for the year 2016-2017 & 2017-18 and BSE has agreed to it.

**36. Status under Sick Industrial Companies ( Special Provision) Act, 1985**

The Company is a Sick Industrial Company within the meaning of Section 3(1) (o) of the Sick Industrial Companies (Special Provision) Act, 1985.

**37. Acknowledge**

Your Directors would like to acknowledge to all contribution, support, help received from all the stakeholders, Government Agencies, Banks.

For and on behalf of the Board of Directors  
**Kumar Shah**  
Chairman and Managing Director

Place : Mumbai  
Date : 30/05/2017



**Annexure I**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2017**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1. CIN	U91100MH1990PLC057373
2. Registration Date	23 <sup>rd</sup> July, 1990
3. Name of the Company	Mitshi India Limited
4. Category/Sub-category of the Company	Category:- Company Limited Bt Shares Sub-Category:- Indian Non-Government Company
5. Address of the Registered office & contact details	Flat No.2,Ground Floor, Juhu Aradhana Co.operative Housing Society, Juhu Lane, Andheri (West). Mumbai:- 400058. Tel.no:- 022-26707500
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	Adroit Corporate Services Limited 9, Jaferbhoy Industrial Estate, Makwana Road, Marol Naka. Mumbai:- 400059. Telephone No.:- 022-42270400

**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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Paints /Chemical/Solvents	2022(32&38)	21,46
2	Software Developments, Hardware,& Computer Connected Products Hardware and Computers	48,64,(service Tax)	Nil
3	Logistics ,Storage & Warehousing ,	5210(82,101(Service tax)	Nil
4	Gold, Silver, Platinum, Diamond, Jewellery Business	0729	Nil
5	General Merchandise Business	5210	Nil
a)	Fruits and Vegetable supply Loose/bulk sales and proposed retail sales with brand name	(Nil Tax )	78.54
6	Paper and By Products	1701,1702,1709	Nil
7	Business services & Processing clearing, cleaning services etc..	14,89,18(Service tax)	Nil
8	Scrapes – Various types- Palstic- MS- Papers-Paints etc.	4669	Nil
	<b>TOTAL</b>		<b>100%</b>


**III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**A. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year as on 31/03/2016				No. of Shares held at the end of the year as on 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other	0	0	0	0.00	0	0	0	0	0.00
f-1) Directors Relatives	562710	0	562710	7.40	562710	0	562710	7.40	0.00
f-2) Directors	847360	17560	864920	11.38	847360	0	847360	11.15	-0.23
<b>Total shareholding of Promoter (A)</b>	<b>1410070</b>	<b>17560</b>	<b>1427630</b>	<b>18.78</b>	<b>1410070</b>	<b>0</b>	<b>1410070</b>	<b>18.55</b>	<b>-0.23</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	600	600	1200	0.02	600	600	1200	0.02	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>600</b>	<b>600</b>	<b>1200</b>	<b>0.02</b>	<b>600</b>	<b>600</b>	<b>1200</b>	<b>0.02</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1863745	53300	1917045	25.22	1863604	38300	1901904	25.03	-0.20
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	320300	3223820	3544120	46.63	332447	3192560	3525007	46.38	-0.25
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	92987	320110	413097	5.44	230288	237690	467978	6.16	0.72





Category of Shareholders	No. of Shares held at the beginning of the year as on 31/03/2016				No. of Shares held at the end of the year as on 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
c-1) Non- Resident Indian (Individuals)	6050	289800	295850	3.89	6041	287800	293841	3.87	-0.03
c-2) Clearing Member	1058	0	1058	0.01	0	0	0	0	-0.01
<b>Sub-total (B)(2)</b>	<b>2284140</b>	<b>3887030</b>	<b>6171170</b>	<b>81.20</b>	<b>2432380</b>	<b>3756350</b>	<b>6188730</b>	<b>81.43</b>	<b>0.23</b>
<b>Total Public Shareholding(B)= (B)(1)+(B)(2)</b>	<b>2284740</b>	<b>3887630</b>	<b>6172370</b>	<b>81.22</b>	<b>2432980</b>	<b>3756950</b>	<b>6189930</b>	<b>81.45</b>	<b>0.23</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0.00
Public -	0	0	0	0	0	0	0	0	0.00
<b>Sub-total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>3694810</b>	<b>3905190</b>	<b>7600000</b>	<b>100</b>	<b>3843050</b>	<b>3756950</b>	<b>7600000</b>	<b>100</b>	<b>0.00</b>

**B) Shareholding of Promoter**

S.N.	Shareholder's Name	No. of Shares held at the end of the year			No. of Shares held at the end of the year			% change in shareholding 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	Deepa Kumar Shah	562710	7.40	0.00	562710	7.40	0.00	0.00
2	Kumar Vasantlal Shah	864920	11.38	0.00	847360	11.15	0.00	-0.23

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

S.N.	Particulars	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				
1)	KUMAR VASANTLAL SHAH	864920	11.38	864920	11.38
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.); Decrease on 17/06/2016	(17560)	(0.23)	(17560)	(0.23)
	At the end of the year				
1)	KUMAR VASANTLAL SHAH	847360	11.15	847360	11.15


**D) Shareholding Pattern of top ten Shareholders:**
**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For Each of the Top 10 Shareholders	Name of Shareholder's	As On Date	No. of Shares held 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
1	At the beginning of the year	Solfic Infotech Private Limited	4/1/2016	1839930	24.21	1839930	24.21
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	1839930	24.21
2	At the beginning of the year	Rajendra Vasantlal Shah	4/1/2016	0	0.00	0	0.00
	Date wise Increase / Decrease in Share holding during the year		10/02/2017	34700	0.46	34700	0.46
	At the End of the year		31/03/2017	0	0.00	34700	0.46
3	At the beginning of the year	Gada Jinesh Mansukh	4/1/2016	17500	0.23	17500	0.23
	Date wise Increase / Decrease in Share holding during the year		01/04/2016	NIL	NIL	NIL	NIL
	At the End of the year		31/03/2017	0	0.00	17500	0.23
4	At the beginning of the year	Pragna Rajendra Shah	4/1/2016	22710	0.30	22710	0.00
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	22710	0.30	22710	0.30
5	At the beginning of the year	Bimal Goel	4/1/2016	23400	0.31	23400	0.31
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	23400	0.31
6	At the beginning of the year	Shikha K Shah	4/1/2016	26700	0.35	26700	0.35
	At the End of the year		31/03/2017	0	0.00	26700	0.35
7	At the beginning of the year	Mitesh K Shah	4/1/2016	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year		17/06/2016	41560	0.55	41560	0.55
			02/09/2016	25000	0.33	66560	0.88
	At the End of the year		23/12/2016	-49460	0.65	17100	0.23

# MITSHI INDIA LIMITED (FORMERLY KNOWN AS DERA PAINTS & CHEMICALS LTD.)



8	At the beginning of the year	Hoori D Samani	01/04/2016	17100	0.31	17100	0.31
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	17100	0.23
9	At the beginning of the year	Nitin Chunilal Dadia	4/1/2016	15090	0.20	15090	0.20
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	15090	0.20
10	At the beginning of the year	PURSHOTTAM G KHEMANI	4/1/2016	15000	0.20	15000	0.20
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	15000	0.20
11	At the beginning of the year	RAJENDRA SHAH	4/1/2016	34710	0.46	34710	0.46
	Date wise Increase / Decrease in Share holding during the year		10/02/2017	-34700	0.46	10	0.00
	At the End of the year		31/03/2017	0	0.00	10	0.00
12	At the beginning of the year	RAKSHA K. SHAH	4/1/2016	70000	0.92	70000	0.92
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	70000	0.92
13	At the beginning of the year	SANJAY GUPTA	4/1/2016	21600	0.28	21600	0.28
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	21600	0.28
14	At the beginning of the year	SHIKHA INFINA MANAGEMENT LTD	4/1/2016	15000	0.20	15000	0.20
	Date wise Increase / Decrease in Share holding during the year		01/07/2016	-15000	0.20	0	0.00
	At the End of the year		31/03/2017	0	0.00	0	0.00
15	At the beginning of the year	TUNKAI INDIA LTD	4/1/2016	15000	0.20	15000	0.20
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	15000	0.20
16	At the beginning of the year	NARENDRA CHELLARAM KHANCHANDANI	4/1/2016	21010	0.28	21010	0.28
	Date wise Increase / Decrease in Share holding during the year			NIL	NIL		
	At the End of the year		31/03/2017	0	0.00	21010	0.28


**E) Shareholding of Directors and Key Managerial Personnel:**

S.N.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning		Cumulative Shareholding during the	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA	NA	NA	NA
	At the end of the year	NA	NA	NA	NA

Note :- Mr. Kumar Shah Key Person cum Director details given in Promoter List , hence here not given

**F) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment. (NVP)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	–	4700562	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	–	4700562	–	–
<b>Change in Indebtedness during the financial year</b>				
* Addition	–	5600500	–	–
* Reduction	–	–	–	–
Net Change	–	5600500	–	–
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	–	10301062	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	–	10301062	–	–



**IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager Mr. Kumar V. Shah - MD				Total Amount
		-----	----	----	---	
<b>1</b>	<b>Gross salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	922500	0	0	0	922500
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
<b>2</b>	<b>Stock Option</b>	0	0	0	0	0
<b>3</b>	<b>Sweat Equity</b>	0	0	0	0	0
<b>4</b>	<b>Commission</b>					
	- as % of profit					
	- others, specify...	0	0	0	0	0
<b>5</b>	<b>Others, please specify</b>	0	0	0	0	0
	<b>Total (A)</b>	922500				922500
	<b>Ceiling as per the Act</b>	3000000				3000000

**B. Remuneration to other directors**

S.N.	Particulars of Remuneration	Name of Independent Directors				Total Amount
		Hanumant Salunkhe (Indep)	Hasmukh Patel (Indep)	Drasti Savla (Indep)	---	
<b>1</b>	<b>Independent Directors</b>					
	Fee for attending board committee meetings	0	0	0		0
	Commission	0	0	0		0
	Others, please specify	0	0	0		0
	<b>Total (1)</b>	0	0	0		0
<b>2</b>	<b>Other Non-Executive Directors</b>					
	Fee for attending board committee meetings	0	0	0		0
	Commission	0	0	0		0
	Others, please specify	0	0	0		0
	<b>Total (2)</b>	0	0	0		0
	<b>Total (B)=(1+2)</b>	0	0	0		0
	<b>Total Managerial Remuneration</b>	0	0	0		0
	<b>Overall Ceiling as per the Act</b>					


**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :**

SN.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
<b>1</b>	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
<b>2</b>	<b>Stock Option</b>	0	0	0	0
<b>3</b>	<b>Sweat Equity</b>	0	0	0	0
<b>4</b>	<b>Commission</b>				
	- as % of profit	0	0	0	0
	others, specify...	0	0	0	0
<b>5</b>	<b>Others, please specify</b>	0	0	0	0
	<b>Total</b>	0	0	0	0

**V. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>	-	-	-	-	-
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



**Annexure -**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	KUMAR V. SHAH Managing Director
b)	Nature of contracts/arrangements/transaction	Remuneration- 1,00,000/=PM
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	03/09/2012
f)	Amount paid as advances, if any	NIL





**Annexure-III**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED  
31<sup>st</sup> MARCH, 2017**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]**

To,

The Members,

MITSHI INDIA LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mitshi India Limited. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

we have examined the books, papers, minute books, forms and returns filed and other records maintained by Mitshi India Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

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



(vi) Annexure I attached for list of applicable laws

we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s), as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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. *The company had not complied with provisions of Section 203 of the Companies Act, 2013 with respect to appointment of full time Company Secretary.*

**We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We 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.

**We further report that** during the audit period the company has not carried out any action nor any event has taken place which is having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

JIGNESH M. PANDYA & CO.  
ACS No. 7346  
C P No.:7318

Place : Mumbai

Date : 30<sup>th</sup> May, 2017.

\*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



## **ANNEXURE I**

### **List of applicable laws to the Company**

#### **Under the Major Groups and Heads are as follows:-**

1. Factories Act, 1948;
2. Industries (Development & Regulation) Act, 1951;
3. Labour Laws and other incidental laws related to labour and employees appointed by the company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection;
6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Land Revenue laws of respective States;
8. Labour Welfare Act to respective States;
9. Trade Marks Act 1999 & Copy Right Act 1957;
10. Acts as prescribed under Shop and Establishment Act of various local authorities.
11. Local Laws as applicable to various offices and plants;
12. The Competition Act, 2002;
13. Information Technology Act, 2000
14. The Legal Metrology Act, 2009
15. Food & Drugs Administration/ Food Safety and Standard Authority of India (FSSAI).



**‘ANNEXURE A’**

To,  
The Members,  
Mitshi India Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, JIGNESH M. PANDYA & CO.,

(JIGNESH M. PANDYA)  
PROPRIETOR  
Practicing Company Secretary  
ACS. NO.7346  
CP NO. 7318

Place : Mumbai

Date : 30<sup>th</sup> May, 2017.



**CORPORATE GOVERNANCE for the year ended on 31<sup>st</sup> March 2016**

**CORPORATE GOVERNANCE REPORT for the year ended on 31<sup>st</sup> March 2017**

**Company Philosophy on Code of Governance:**

Mitshi India Limited has always focused on good Corporate Governance, which is a key driver of sustainable corporate growth. The core values of Company are commitment to excellence and customer satisfaction honesty, integrity, disclosure, accountability and maximizing long term value for Share-holders, lenders, suppliers and the Government. Your company has been constantly devising measures to improve upon to adopt effective Corporate Governance by creating an environment based on professionalism, entrepreneurship and pursuit for excellence. Corporate Governance policies and practices in accordance with the provision of Clause 49 of the Listing Agreement.

**Board of Directors**

**Composition**

The Board of Mitshi India Limited consists of Four Directors, out of which three are non- Executive. Amongst the Executive One is the Promoter Director, One Women independent Director and two are independent Directors.

The Promoter Director is a Executive Director and the number of independent Directors are more than two third of the total number of Directors. The Board consists of executive and independent Directors. The Company, therefore meets with the requirements relating to the composition of the Board of Directors. All Executive & independent Directors with their diverse knowledge, experience and expertise provide valuable in the deliberations and decisions of the Board.

**Board Procedures**

During the financial year 2016-2017 the Board of Directors have met six times on the following dates :3<sup>rd</sup> April, 2016, 30<sup>th</sup> May, 2016, 21<sup>st</sup> July, 2016, 1<sup>st</sup> October, 2016, 12<sup>th</sup> November, 2016, 14<sup>th</sup> February, 2017. The meetings were held as pre the mandatory requirements and the dates of the meetings were generally decided well in advance.

**Attendance Record & Directorships and Membership of Directors.**

Table 1 gives the composition of the Board and the attendance record of all the Directors at the six Board meetings held during the financial year 2016-17, as well at the last Annual General Meeting as also the number of Directorships and Committee Membership held by them other Companies.

Name of Directors		Attendance Particular		Directorship in Companies		Membership/ Chairmanship in Committees	
		Board Meeting	Last AGM held on 27/08/2016	In listed Companies	In Unlisted Public Limited Companies	Chairman	Member
Kumar Shah	Promoter-Chairman	6	Yes	1	-	1	1
H.A. Salunkhe	Independent Non-Executive	5	Yes	1	-	-	2
Hasmukh Patel	Independent Non-Executive	5	Yes	1	-	1	2
Drashti T. Savla	Independent Non-Executive	6	Yes	---	----	----	----

- Notes**
- (1) Private Limited Companies, Foreign Companies and Committee under Section 25 of the Companies Act, 1956 are excluded for the above purpose
  - (2) Only Audit Committee, Share-holders Grievance Committee and Remuneration are considered for the purpose of Committee positions as per Listing Agreement.



## Information supplied to the Board

The Board of Mitshi India Limited is presented with all the relevant information on various vital matters affecting the working of the Company, as well as those that require deliberation at the highest level. Extensive information is provided on various critical items such as : (a) Production, Sales and Capital Expenditure Budget, (b) Sales and financial performance statics (c) Such transfer compliance (d) Quarterly financial results (e) Significant labor and human relation (f) statutory compliance reporting system and any other matters.

## Audit Committee:

### Constitution and Compositions

The Audit Committee of the Company comprises of Shri Hasmukh Patel and H. A. Salunkhe, the Independent directors. All members of the Audit Committee have knowledge on financial matters and the Chairman of the Audit Committee is having accounting and financial management expertise.

### Terms of reference

In compliance with Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015, the terms of reference of Audit Committee are as under:

1. Oversee the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. 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.
3. Compliance with Listing and other legal requirements relating to financial statements.
4. Disclosures of any related party transactions
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, performance of Statutory Auditors, adequacy of Internal Control systems and recommending improvements to the management.
7. Discussion with Auditor on any significant findings and follow-up thereon.
8. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The minutes of the Audit Committee Meetings are circulated to the Board, discussed and taken note of.

### Meetings and attendance

The Audit Committee met four times during the Financial Year 2016-17 on 30<sup>th</sup> May, 2016, 21<sup>st</sup> July, 2016, 12<sup>th</sup> November, 2016 and 14<sup>th</sup> February, 2017. The meetings were scheduled well in advance. In addition to the members of the Audit Committee these meetings were attended by Statutory Auditors .

Names of the Directors	No. of Meetings attended
1. Shri Hasmukh Patel	4
2. Shri H. A Salunkhe	4



## Remuneration Committee

### Constitution and Composition

The Board has constituted Remuneration Committee comprising Shri Hasmukh Patel and H.A. Salunkhe, the Independent directors.

No meeting of this committee was held during the year under review.

Terms of Reference: The Remuneration Committee has been constituted to recommend/ review remuneration of the Managing Director.

### Remuneration of Directors

- a. The remuneration paid to the Whole-time Director is within the ceiling as per resolution approved by the shareholders. Details of the remuneration paid to the whole-time Director for the Financial Year ended 31<sup>st</sup> March, 2017 is given below:
- Constitution and Composition

### Remuneration of Directors

- Remuneration of Rs. 9,22,500/- paid to the Promoter Director (CMD) of your company, including all perquisites.
- No Sitting Fees paid to the independent Non-Executive Directors for the financial year ended 31<sup>st</sup> March, 2017.

### b. Stakeholders' Relationship Committee (mandatory committee)

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The company has constituted a Share Transfer Committee in compliance with the Clause 49 of the Listing Agreement. The Committee comprises of two Directors viz. Shri Kumar V Shah and Shri H. A. Salunkhe. The Committee looks into the matter of share-transfer, issue of duplicate certificates and other related matters.



**During the year, Committee had met 12 times.**

The composition and the meetings attended by the members are as under:

<b>Name of Director</b>	<b>No. of meeting attended during the year.</b>
Shri Kumar V Shah	12
Shri. H. A. Salunkhe	12

Share transfers/transmissions etc. as approved by the Committee are notified to the Board at regular intervals and are taken on record by the Board at their meetings.

No Transfers/Transmission are pending as on 31<sup>st</sup> March, 2017.

**c. Corporate Social Responsibility (CSR) Committee -**

The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The company has constituted a Corporate Social Responsibility Committee in compliance with the Clause 49 of the Listing Agreement. The Committee comprises of two Directors viz. Shri Kumar V Shah and Shri Hashmukh Shah. The Committee had one meeting on 14<sup>th</sup> February, 2017. As the Company is not having adequate profits as prescribed under the applicable rules, no expenses have been incurred for social responsibility.

**Risk Management Committee**

The company has constituted a Risk Management Committee in compliance with the Clause 49 of the Listing Agreement. The Committee comprises of two Directors viz. Shri Kumar V Shah and Shri H.A.Salunkhe. The Committee met four times during the Financial Year 2016-17 on 30<sup>th</sup> May, 2016, 21<sup>st</sup> July, 2016, 12<sup>th</sup> November, 2016 and 14<sup>th</sup> February, 2017.

Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

The composition of the Risk Management Committee as at March 31, 2017 and details of the Members participation at the Meetings of the Committee are as under:

<b>Name of the Member</b>	<b>Category</b>	<b>Attendance at the Risk Management Committee meeting held on</b>
Mr. Kumar V. Shah	Executive, Non Independent	30-05-2016, 21-07-2016, 12-11-2016, 14-02-2017
Mr. H. A. Salunkhe	Independent	30-05-2016, 21-07-2016, 12-11-2016, 14-02-2017





## Independent Directors' Meeting

During the year under review, the Independent Directors met on 14-02- 2017, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

## Communications to Share – holders

Mitshi India Limited recognizes communication as a key element of the overall Corporate Governance Framework. The company responds the share-holders queries regularly and no queries are pending.

## Share-Holders Information

### General Body Meetings:

#### For the period ended

#### Date, Time and Locations

31<sup>st</sup> March, 2016

27 August, 2016 at 9.00 a.m  
Emerald Club Hall, Royal Palms,  
Aarey Colony, Goregaon East, Mumbai – 400 065

31<sup>st</sup> March, 2015

30 September, 2015 at 9.00 a.m  
Ultra meeting Room,  
(in PXL Soft office)  
3A/3B, 1<sup>st</sup> Floor, Master Mind – II, Aarey Colony,  
Goregaon East, Mumbai – 400 065

31<sup>st</sup> March, 2014

27 September, 2014 at 9.00 a.m  
Ultra meeting Room,  
(in PXL Soft office)  
3A/3B, 1<sup>st</sup> Floor, Master Mind – II, Aarey Colony,  
Goregaon East, Mumbai – 400 065

During the last three years no resolution was passed under the Postal Ballot.

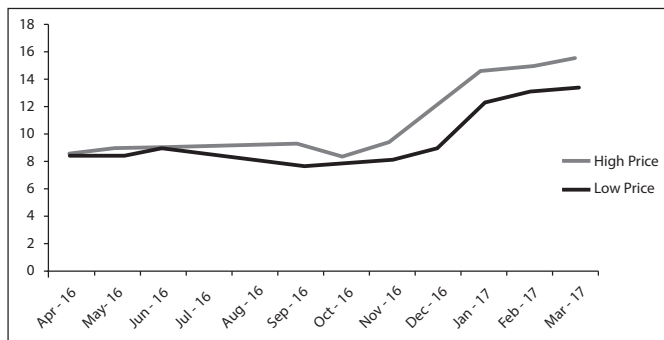


## General Shareholder's Information

Annual General Meeting	09/09/2017 at 9.00 a.m.
Book Closure Date	30/08/2017 to 31/08/2017
Listing on Stock Exchanges	The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
Dividend Payment Date:	Not applicable since dividend not declared
Stock Code:	
The Stock Exchange, Mumbai	523782

## Market Price Data:

Date	High Price	Low Price
Apr-16	8.51	8.51
May-16	8.93	8.51
Jun-16	8.90	8.90
Jul-16	8.90	8.90
Aug-16	8.90	8.90
Sep-16	9.30	7.7
Oct-16	8.4	8.4
Nov-16	9.5	9.5
Dec-16	12.1	12.1
Jan-17	14.68	13.68
Feb-17	14.9	14.90
Mar-17	15.50	13.39



Registrar & Transfer Agents: Adroit Corporate Services Ltd.  
9, Jaferbhoy Industrial Estate, Makawana Road, Marol Naka, Mumbai-400059.



**Distribution of Shareholding-**

Table 2 gives details about the pattern of Share-holdings among various categories as on 31<sup>st</sup> March, 2017, while table 3 gives the data according to size classes:-

Table 2: Distribution of shareholdings across **categories**

**Shares distribution schedule as on 31/03/2017**

SHARES SLAB	SHARE HOLDERS	% AGE	TOTAL SHARES	AMOUNT (RS.)	% AGE
UPTO - 500	19985	96.33	2830240	28302400.00	37.24
501 - 1000	516	2.49	425278	4252780.00	5.60
1001 - 2000	131	0.63	197574	1975740.00	2.60
2001 - 3000	33	0.16	81010	810100.00	1.07
3001 - 4000	14	0.07	51700	517000.00	0.68
4001 - 5000	17	0.08	78706	787060.00	1.04
5001 - 10000	24	0.12	190614	1906140.00	2.51
10001 &Above	26	0.13	3744878	37448780.00	49.27
<b>Total</b>	<b>20746</b>	<b>100.00</b>	<b>7600000</b>	<b>76000000.00</b>	<b>100.00</b>

**Dematerialization of Shares**

CDSL & NSDL have approved for dematerialization of shares.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversions date and likely impact on equity shares.

The **Company** has not issued GDRs/ADRs Warrants convertible instruments, conversions date or any Convertible instruments

Address for Correspondence:-

2, Juhu Aradhana CHS Ltd., Juhu Lane, Mumbai 400 058

**2 Disclosures:**

- (a) Materially Significant related party transactions

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

- (b) Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years.

There was no instance of levy of any penalties during the last three years.

**Compliance with Accounting Standards**

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**Internal Controls**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on SAP-ERP and SAP-HR platforms and have a strong monitoring and reporting process resulting in financial discipline and accountability.



**CEO & MD / CFO Certification**

The CEO & MD has issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**CODE OF CONDUCT**

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in "Zero Tolerance" to bribery and corruption in any form and the Board has laid down the "Anti-Bribery & Corruption Directive" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.abcdomain.com](http://www.abcdomain.com).

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a Fraud Risk Management Policy (FRM) to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

**PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

on behalf of Board Of Director  
Kumar Shah  
Chairman and Managing Director

Place : Mumbai  
Date : 30<sup>th</sup> May, 2017

The Members of

**Mitshi India Limited**

**Re: Report on Corporate Governance**

We have reviewed the records concerning the Company's compliance of the condition of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company; with the Stock Exchanges of India for the year ended on 31<sup>st</sup> March, 2017,

The compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression, of opinion on the Financial Statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for review, and the information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the Condition of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement.

On the basis of the records maintained by the Company we state that there are no Investor Grievances pending against the Company for a period exceeding one month.



We further state that such compliance is neither an assurance as to the future viability of the Company, nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **C. K. Patil & Co.**  
**Chartered Accountants**  
Firm Regn. No.107803W

**C. K. Patil**  
**Proprietor**  
M. No. 033243

Place : Mumbai  
Date : 30<sup>th</sup> May, 2017.

**FINANCIAL**

**CALENDAR**

**2017:**

AGM – Date, time and venue	09/09/2017 at 9.00 a.m. at Emerald Club Hall, Royal palms, Aarey Colony ,Goregaon East, Mumbai -400065
Financial Year	2016-2017
Book Closure Date	30/08/2017 to 31/08/2017(Both Inclusive)
Dividend Payment Date	Not Declared
Listing of Eq. shares on stock exchanges.	BSE LTD
Stock Code	523782
Market Price Data and other related informations	chart displayed as below
Registrar & Transfer Agents	ADROIT CORPORATE SERVICES PVT LTD
Board Meeting for consideration of Accounts for the financial year ended March 31, 2016 and recommendation of dividend	30/05/2016-due to loss no Dividend was consider
Posting of Annual Reports	02/08/2017 to 05/08/2017
Last date for receipt of Proxy Forms	07/09/2017
Probable date of despatch of warrants	N.A
Board Meeting for consideration of unaudited quarterly results for the financial year ended March 31, 2017	30 <sup>th</sup> May 2017
Audited results for the current financial year ending March	30 <sup>th</sup> May 2017

**For and on behalf of the Board**

Place : Mumbai  
Date : 30<sup>th</sup> May, 2017.



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Forward-Looking Statements**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

### **❖ Industry Structure And Developments**

- ❖ Recently company has planned to go in a phase manner for selling of Fruits & vegetables under separate division Namely "**TAAZA KITCHEN**", also establishing a division for providing services of laundry business Namely "**UJALA LAUNDRY**" for door to door delivery to prospective buyers who prefer to use online order placing /services and is establishing another division for software development namely "**OXABLE**" to developed the software for "**TAAZA KITCHEN**" & "**UJALA LAUNDRY**" and provide day to day support and services to this division for IT solution. (Company has applied for License from "Food Safety and Standard Authority of India" (FSSAI)
- ❖ In "**OXABLE**" division, company has started developing software for sale of FRUITS & VEGETABLES for online booking for retail business with door delivery.
- ❖ The company has commenced bulk sales supply of Fruits & Vegetables. The Company has started the business in Mumbai and has plans to spread the wings to PAN India.

### **❖ Business Overview & Marketing**

- ❖ Your Company was in the field of Manufacturing automotive, Industrial and Decorative paints, thinners & Synthetic resins with trading of industrial solvents and other raw materials to concerned and allied industries. After the huge fire in the company's plant at Vasai Mumbai in 1998, your company had to stop the manufacturing activity. Your Company had faced lot of challenges and due to short fall of capital, your company could not re-commence the manufacturing activity to cater to prestigious clients like Mahindra & Mahindra Ltd, Castrol Ltd, and many other prestigious industries and dealers throughout the country. This experience will lead and help in to new coming venture of the company.
- ❖ In past year your company had amended its object clauses and had added various diversified business activities to expand its operations.
- ❖ Presently company is selling loose fruits & vegetables and establishing the procurement's sources and proposed to sell in standard packing for home delivery with the brand name "**TAAZAKITCHEN**" and has applied for permission from Food Safety & Standard Authority of India (FSSAI) license for such activity and for the same company is in process of developing software to sell products Online in Mumbai market than all over India.
- ❖ Company is not envisaging any difficulties in marketing of Fruits and Vegetables under the Brand name of "**TAAZA KITCHEN**" to start up in Mumbai catering to 4000 -5000 customers in 2-3 years after launching the products, presently Mumbai population is 1.87 crores and dividing by five per family members then almost there are 37 lakh families and out of this our target is 4000-5000 families, hence there is huge market for Supply of fruits and Vegetables and Laundry Business.

### **❖ Swot - Nil**

### **❖ INTERNAL CONTROL**

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective.



## ❖ Segment Wise Reporting

The business segment has been considered as the primary segment. The Company is primarily in the business of trading of commodities for the year under consideration. There are no export sales.

## ❖ Outlook -

❖ After facing lot of challenges, the management has decided to revive your company by diversifying its activities. The management has started computer software development business and recently has ventured into the business of online selling of Fruits & Vegetables and has started sale through bulk supply in the market. With diversifying its activities into more and more business ventures, your company is optimistic and hopeful of overall growth.

## ❖ Material Developments In Human Resources/Industrial Relations Front, Including Number Of People Employed.

After restart, your company will employ sizable people to look after the various activities all round development of your company.

## ❖ Discussion On Financial Performance With Respect To Operational Performance.

Your Company has already embarked upon starting the business by various activity to generate revenue.

During the year company made Loss of 26.79 Lacs as compared to previous year's loss of 12.17 Lacs mainly due to expenses incurred for restructuring the Company.

## ❖ Risks And Concerns

❖ Due to high capita incentive in Paint Industries and as per the present financial of the company, it was not possible to go for Paint manufacturing and company tried for re commencing but could not succeed due to short fall of funds.

❖ The Company has decided to diversify its business and in past AGM all approval revived to change and add up business activity and planning to enter in to certain business. This will help the Company with additional funds for its new business activities and with which it expects to improve its performance.

## ❖ Cautionary Statement

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.



**Compliance with Code of Business Conduct and Ethics**

As provided under Regulation 34(3) of SEBI (LODR) regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2017.

For **Mitshi India Limited**  
**(Kumar V. Shah)**  
Chairman & Managing Director

Place : Mumbai  
Date : 30/05/2017

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**DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3)  
OF SEBI (LODR) REGULATIONS, 2015**

To,  
The Members  
Mitshi India Ltd.

I hereby declare that all the Directors and the designated employees in the senior management of the Company have affirmed compliance with their respective codes for the Financial Year ended March 31, 2017.

For **Mitshi India Limited**  
**(Kumar V. Shah)**  
Chairman & Managing Director

Place : Mumbai  
Date : 30/05/2017





**CERTIFICATION BY CEO/CFO UNDER REGULATION 17(8) OF SEBI (LODR)  
REGULATIONS, 2015**

The Board of Directors,

**MITSHI INDIA LIMITED**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial officer of the Company, to the best of my knowledge and belief certify that;

- (a) We have reviewed the Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2017 and based on our knowledge and belief state that :
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (ii) these statements together presents a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, 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 are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee :
  - (i) significant changes, if any, in the internal control over the Financial Reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has 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 significant role in the Company's internal control system over Financial Reporting.

**Chairman & Managing Director**

Place : Mumbai

Date : 30/05/2017



**AUDITORS CERTIFICATE OF CORPORATE GOVERNANCE**

To,

The Members,

**MITSHI INIDA LTD.**

We have examined the compliance of conditions of Corporate Governance by MITSHI INDIA LTD. for the financial years ended 31<sup>st</sup> March, 2017 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **C.K.Patil & CO.**  
**Chartered Accountants**  
(Firm Registration No.107803W)

**(C. K. Patil)**  
**Proprietor**  
Membership No. 033243

Place : Mumbai

Date : 30/05/2017



**CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined the compliance of conditions of Corporate Governance by MITSHI INDIA LTD. for the year ended 31<sup>st</sup> March, 2017 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For **C.K.Patil & CO.**  
**Chartered Accountants**  
(Firm Registration No.107803W)

**(C. K. Patil)**  
**Proprietor**  
Membership No. 033243

Place : Mumbai  
Date : 30/05/2017



## **Independent Auditor's Report**

TO THE MEMBERS OF

**MITSHI INDIA LIMITED (FORMERLY DERA PAINTS & CHEMICALS LIMITED)**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **MITSHI INDIA LIMITED (FORMERLY DERA PAINTS & CHEMICALS LIMITED)** (hereinafter referred to as "the Company") comprising of the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

### **Management's Responsibility for the Standalone Financial Statements and for Internal Financial Controls over Financial Reporting.**

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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows 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. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit and to express an opinion on the Company's internal financial controls over financial reporting 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 thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting. Those Standards and the Guidance Note 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 and whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. An audit involves performing procedures to obtain audit evidence about the amounts, the disclosures in the financial statements and adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal control based on the assessed risk. 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 controls 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 Company's internal financial controls system over financial reporting and the standalone financial statements.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and

- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of the Matter:**

We draw attention to following Note to the financial statements:

Note No. 15(5): The accumulated losses as on 31<sup>st</sup> March, 2017 exceeds the Net Worth of the Company. The Company has incurred net cash losses during the current and the previous years and the liabilities exceed the assets. These conditions may indicate the existence of material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on the basis that the Company is a going concern for the reasons stated in the said Note.

Our Opinion is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
  - (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 of the Company as on



31<sup>st</sup> March, 2017 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31<sup>st</sup> March, 2017 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 does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company has provided requisite disclosures in its financial statements as to

holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 { Refer Note No.15 (7)} and these are in accordance with the books of accounts maintained by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **C. K. Patil & Co.**  
**Chartered Accountants**  
Firm Regn. No.107803W

**C. K. Patil**  
**Proprietor**  
M.No.033243

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2017



**ANNEXURE A TO THE INDEPENDENT  
AUDITORS' REPORT**

(Referred to in our Report of even date on the financial statements for the year ended March 31, 2017 of **MITSHI INDIA LIMITED**( FORMERLY DERA PAINTS & CHEMICALS LIMITED). Reported on the basis of verification of records of the Company and as per the information and explanations given by the Company.)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals during the year and we are informed that no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and no discrepancies were noticed during the physical verifications.
- (iii) The Company has not granted any loan to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not given any loan or guarantee/ security to its directors or to any other persons in whom the directors are interested or to any person or other body corporate as per the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public as defined under the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under.
- (vi) The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, in respect of the activities carried on by the Company.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess, Value added tax and any other statutory dues as applicable with the appropriate authorities save and except outstanding excise duty of ₹ 379201/- (PY ₹ 413054/-) which is outstanding for more than six months as on last day of the financial year.
- (b) There are no dues of Income tax/ Sales tax / Wealth tax/ Service tax/ Custom duty/ Excise duty/ cess and Value added tax which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan from banks or financial institutions or from the government and has not issued any debentures
- (ix) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments and Term Loans.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and therefore reporting under this clause is not applicable to the Company.



(xiii) All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) The company has not made any preferential allotment of Equity shares during the year under review.

(xv) The company has not entered into any non-cash transactions with directors or persons connected with them and hence question of reporting under this clause does not arise.

(xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and hence question of reporting under this clause does not arise.

For **C. K. Patil & Co.**  
**Chartered Accountants**  
Firm Regn. No.107803W

**C. K. Patil**  
**Proprietor**  
M.No.033243

Place : Mumbai  
Dated : 30<sup>th</sup> May, 2017





**BALANCE SHEET AS AT 31ST MARCH, 2017**

	Note No.	As at 31.03.2017 Amount (₹)	As at 31.03.2016 Amount (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	<b>76,000,000</b>	76,000,000
(b) Reserves and Surplus	2	<b>(94,602,030)</b>	(91,922,686)
		<b>(18,602,030)</b>	(15,922,686)
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	<b>10,301,062</b>	4,700,562
(b) Other Long term liabilities	4	<b>9,527,133</b>	9,482,986
		<b>19,828,195</b>	14,183,548
<b>(3) Current Liabilities</b>			
(a) Trade payables		<b>902,029</b>	1,084,597
(b) Other current liability(Advances )		<b>200,000</b>	3,811,100
(c) Other current liability(Duties & Taxes)		<b>863</b>	32,532
		<b>1,102,892</b>	4,928,229
<b>TOTAL</b>		<b>2,329,057</b>	3,189,091
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	5		
(i) Tangible assets		<b>519,893</b>	808,853
(ii) Intangible assets		<b>37,000</b>	-
(b) Non-current investments	6	<b>24,100</b>	24,100
(c) Long term loans and advances	7	<b>78,021</b>	78,021
		<b>659,014</b>	910,974
<b>(2) Current assets</b>			
(a) Trade receivables	8	<b>1,314,223</b>	553,323
(b) Cash and cash equivalents	9	<b>205,820</b>	1,636,794
(c) Short-term loans and advances	10	<b>150,000</b>	88,000
		<b>1,670,043</b>	2,278,117
<b>TOTAL</b>		<b>2,329,057</b>	3,189,091
Significant Accounting Policies & Additional Notes	15		

Notes referred to above form an integral part of the financial statements,  
As per our report of even date.

**For C.K. Patil & Co.**  
Chartered Accountants  
Firm Registration No. 107803W

**C.K. Patil**  
Proprietor  
M.No.033243  
Mumbai  
Dated: 30<sup>th</sup> May, 2017

For and On Behalf of The Board.

**Kumar V. Shah**  
Chairman & Managing Director  
DIN : 01451912  
Mumbai  
Dated: 30<sup>th</sup> May, 2017

**H.A. Salunkhe**  
Director  
DIN : 03626114



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017**

	Note No.	Current Yr. 2016-17 Amount (₹)	Previous Yr. 2015-16 Amount (₹)
I. Revenue from Operations	11	2,362,614	1,535,000
II. Other Income	12	0	70,403
III. Total Revenue		<u>2,362,614</u>	<u>1,605,403</u>
IV. Expenses			
Purchases of Stock in Trade	13	1,610,199	661,000
Employee's / Director 's Salary		1,633,500	468,000
Interest paid		166	480
Depreciation	5	288,960	136,072
Other Expenses	14	1,509,133	1,556,957
		<u>5,041,958</u>	<u>2,822,509</u>
Loss before Extraordinary item & tax		(2,679,344)	(1,217,106)
<b>Tax Expenses</b>			
Deferred Tax Liability reversed		-	-
Net Profit (Loss) for the year		<u>(2,679,344)</u>	<u>(1,217,106)</u>
Basic/Diluted EPS		-0.35	-0.18
Significant Accounting Policies & Additional Notes	15		

Notes referred to above form an integral part of the financial statements,  
As per our report of even date.

**For C.K. Patil & Co.**  
Chartered Accountants  
Firm Registration No. 107803W

**C.K. Patil**  
Proprietor  
M.No.033243  
Mumbai  
Dated: 30<sup>th</sup> May, 2017

For and On Behalf of The Board.

**Kumar V. Shah**  
Chairman & Managing Director  
DIN : 01451912  
Mumbai  
Dated: 30<sup>th</sup> May, 2017

**H.A. Salunkhe**  
Director  
DIN : 03626114


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

Particulars	2016-17	2015-16
	₹	₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	(2,679,344)	(1,217,106)
<u>Adjusted for:</u>		
Depreciation	288,960	136,072
Interest Income	-	-
Operating Profit before Working Capital Changes	(2,390,384)	(1,081,034)
<u>Adjusted for:</u>		
Trade Receivables	(760,900)	2,131,395
Loans & Advances	(62,000)	7,164,604
Trade Payables & Other liabilities	(3,781,190)	(5,645,248)
Cash generated from/(used in) Operations	<u>(6,994,474)</u>	<u>2,569,717</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income	-	-
Fixed Assets purchased	(37,000)	(735,000)
Cash generated from/(used in) Investing Activity	<u>(37,000)</u>	<u>(735,000)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Money received of Shares allotted.	-	18,399,300
Acceptance/ (Repayment) of Borrowings	5,600,500	(19,425,268)
Cash generated from/(used in) Financing Activity	<u>5,600,500</u>	<u>(1,025,968)</u>
Net Increase/(Decrease) in Cash & Cash equivalents	(1,430,974)	808,749
Cash & Cash equivalents at beginning of the year	1,636,794	828,045
Cash & Cash equivalents at end of the year	<b>205,820</b>	1,636,794

Notes referred to above form an integral part of the financial statements,  
As per our report of even date.

**For C.K. Patil & Co.**  
Chartered Accountants  
Firm Registration No. 107803W

**C.K. Patil**  
Proprietor  
M.No.033243  
Mumbai  
Dated: 30<sup>th</sup> May, 2017

For and On Behalf of The Board.

**Kumar V. Shah**  
Chairman & Managing Director  
DIN : 01451912  
Mumbai  
Dated: 30<sup>th</sup> May, 2017

**H.A. Salunkhe**  
Director  
DIN : 03626114



**Notes referred to and forming part of the financial statements**

	AS AT 31.03.2017 ₹	AS AT 31.03.2016 ₹
<b>NOTE NO. 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
85,00,000 Equity, Shares of par value of ₹ 10/- each	<u>85,000,000</u>	<u>85,000,000</u>
<b>Issued, Subscribed and Paid Up</b>		
76,00,000 Equity Shares of ₹ 10/- each fully paid up	<u>76,000,000</u>	<u>76,000,000</u>
<b>Terms/rights attached to equity shares</b>		
The company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.		
<b>Reconciliation of the Share Capital</b>		
Share Capital as at the beginning of the year	<u>76,000,000</u>	57,600,700
Issued during the year	<u>0</u>	18,399,300
Share Capital as at the end of the year	<u>76,000,000</u>	<u>76,000,000</u>
<b>Details of shareholder holding more than 5% shares in the company</b>		
( For 2016-17)		
Name of Shareholder	<b>No. of Shares</b>	<b>% of Holding</b>
1. Kumar Vasantlal Shah	<b>847360</b>	11.15
2. Deepa Kumar Shah	<b>562710</b>	7.40
3. Solific Infotech Pvt. Ltd.	<b>1839930</b>	24.21
	<u>3250000</u>	<u>42.76</u>
( For 2015-16)		
Name of Shareholder	<b>No. of Shares</b>	<b>% of Holding</b>
1. Kumar Vasantlal Shah	<b>847360</b>	11.15
2. Deepa Kumar Shah	<b>562710</b>	7.40
3. Solific Infotech Pvt. Ltd.	<b>1839930</b>	24.21
	<u>3250000</u>	<u>42.76</u>

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



	AS AT 31.03.2017 ₹	AS AT 31.03.2016 ₹
<b>NOTE NO. 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>1. Capital Reserve</b>		
Balance as per last Balance Sheet	38,401,754	38,401,754
<b>2. Investment Allowance Reserve</b>		
Balance as per last Balance Sheet	31,444	31,444
<b>3. General Reserve</b>		
Balance as per last Balance Sheet	45,000	45,000
<b>4. State Subsidy.</b>		
Balance as per last Balance Sheet	3,000,000	3,000,000
<b>5. Surplus/(Deficit) in the statement of profit and loss</b>		
Opening Balance	(133,400,884)	(132,183,778)
Add: Profit/(loss) for the year	(2,679,344)	(1,217,106)
Add: Assets Expired Life W/Off	-	-
Closing Balance	<u>(136,080,228)</u>	<u>(133,400,884)</u>
<b>TOTAL</b>	<u><b>(94,602,030)</b></u>	<u><b>(91,922,686)</b></u>
<b>NOTE NO. 3</b>		
<b>LONG TERM BORROWINGS</b>		
<b>(Unsecured)</b>		
From Director	8,204,660	2,604,160
From Companies	2,096,402	2,096,402
(Above loans payable after 2 years on demad. Rate of interest NIL)		
<b>TOTAL</b>	<u><b>10,301,062</b></u>	<u><b>4,700,562</b></u>
<b>NOTE NO. 4</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Trade Payables	9,147,932	9,069,932
Duties & Taxes	379,201	413,054
	<u><b>9,527,133</b></u>	<u><b>9,482,986</b></u>



**NOTE NO. 5**

FIXED ASSETS AS AT 31ST MARCH, 2017

ASSETS	GROSS BLOCK		DEPRECIATION			NET BLOCK		
	AS ON 31.03.2016	ADDITIONS	AS ON 31.03.2017	AS ON 31.03.2016	FOR THE YEAR	AS ON 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
<b>TANGIBLE ASSETS</b>								
OFFICE EQUIPMENTS	87,000	-	87,000	82,651	-	82,651	4,349	4,349
COMPUTER	825,000	-	825,000	163,083	232,750	395,833	429,167	661,917
FURNITURE & FIXURE	50,000	-	50,000	22,163	6,335	28,498	21,502	27,837
MOTORCAR	300,000	-	300,000	185,250	49,875	235,125	64,875	114,750
<b>INTANGIBLE ASSETS</b>								
TRADE MARKS	-	37,000	37,000	-	-	-	37,000	-
TOTAL	1,262,000	37,000	1,299,000	453,147	288,960	742,107	556,893	808,853

FIXED ASSETS AS AT 31ST MARCH, 2016 (PREVIOUS YEAR'S FIGURES)

ASSETS	GROSS BLOCK		DEPRECIATION			NET BLOCK		
	AS ON 31.03.2015	ADDITIONS	AS ON 31.03.2016	AS ON 31.03.2015	FOR THR YEAR	AS ON 31.03.2016	AS ON 31.03.2016	AS ON 31.03.2015
<b>TANGIBLE ASSETS</b>								
OFFICE EQUIPMENTS	87,000	-	87,000	80,371	2,280	82,651	4,349	6,629
COMPUTER	90,000	735,000	825,000	85,500	77,583	163,083	661,917	4,500
FURNITURE & FIXURE	50,000	-	50,000	15,829	6,334	22,163	27,837	34,171
MOTORCAR	300,000	-	300,000	135,375	49,875	185,250	114,750	164,625
TOTAL	527,000	735,000	1,262,000	317,075	136,072	453,147	808,853	209,925

AS AT	AS AT
31.03.2017	31.03.2016
₹	₹

**NOTE NO. 6**

**NON CURRENT INVESTMENTS**

**NON TRADE-UNQUOTED**

In Equity Instruments

2,410 Equity Shares of New India Co-op. Bank Ltd. of

₹ 10/- each fully paid up.

**24,100**

24,100

**24,100**

24,100



	AS AT 31.03.2017 ₹	AS AT 31.03.2016 ₹
<b>NOTE NO. 7</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
Advance to parties	-	-
Advances to other parties	-	-
Advance Tax & TDS	<u>78,021</u>	<u>78,021</u>
	<u><b>78,021</b></u>	<u><b>78,021</b></u>
<b>NOTE NO. 8</b>		
<b>TRADE RECEIVABLES</b>		
<b>(Unsecured, considered good)</b>		
Outstanding for a period exceeding six months.	<u>1,314,223</u>	-
Others	-	<u>553,323</u>
	<u><b>1,314,223</b></u>	<u><b>553,323</b></u>
<b>NOTE NO. 9</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash In Hand	<u>132,820</u>	<u>5,111</u>
Balance with Scheduled Banks		
a) In Current Accounts	<u>48,000</u>	<u>1,606,683</u>
a) In Fixed Deposit (Lien against bank OD)	<u>25,000</u>	<u>25,000</u>
	<u><b>205,820</b></u>	<u><b>1,636,794</b></u>
<b>NOTE NO. 10</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<b>(Unsecured and considered good.),</b>		
Tender Deposit	<u>150,000</u>	<u>88,000</u>
<b>NOTE NO. 11</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale of Products- Chemicals	<u>507,000</u>	<u>730,000</u>
Sale of Products- Vegetables & Fruits (Taza Kitchen)	<u>1,855,614</u>	<u>-</u>
Sale of Services- Computer content development	<u>0</u>	<u>775,000</u>
Sale of Services- Others	<u>0</u>	<u>30,000</u>
	<u><b>2,362,614</b></u>	<u><b>1,535,000</b></u>



**NOTE NO. 12**

**OTHER INCOME**

Sundry Balances w/back	-	57,675
Misc. Income	-	12,728
	-	70,403
		<u>70,403</u>

**NOTE NO. 13**

**PURCHASES OF STOCK IN TRADE**

Purchases- Chemicals	426,080	661,000
Purchases- Vegetables & Fruits( Taza Kitchen)	1,184,119	-
Purchases- Chemicals	1,610,199	661,000
		<u>661,000</u>

**NOTE NO. 14**

**OTHER EXPENSES**

**Direct expenses-**

Logistic expenses- Fruits & Vegetables	295,812	-
Other expenses- Fruits & Vegetables	236,647	-

**Administrative Expenses**

Rent	132,000	132,000
Advertisement expenses	14,463	-
Legal & Professional Fees	221,400	332,000
Postage, Courier & Telephone	110,400	157,011
Bank Charges	2,642	4,548
Printing & Stationary	56,885	101,849
Conveyance	23,933	22,400
Filing Fees & Stamp duty	6,600	187,078
Listing Fees	294,044	457,729
Registrar Fees	41,829	63,464
Donation	1,100	36,444
Office Expenses	20,820	28,204
<b>Trade mark expenses</b>	-	20,000
Other Expenses	16,949	530
Motor Car expenses	3,100	3,700
Travelling Expenses	20,509	-
<b>Auditors Remuneration</b>		
Audit Fees	10,000	10,000
	<u>1,509,133</u>	<u>1,556,957</u>





**NOTE NO. 15**

**SIGNIFICANT ACCOUNTING POLICIES AND ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017.**

**1. SIGNIFICANT ACCOUNTING POLICIES**

- a) **Basis of Preparation:** The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with the accounting standards notified 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. The financial statements have been prepared on an accrual basis and under the historical cost convention.
- b) **Sales:** The figures of sales are inclusive of sales tax and excise duty as applicable.
- c) **Depreciation:** Depreciation on Fixed Assets has been provided on Straight Line Method over the remaining useful life of the assets as specified in Schedule II to the Companies Act, 2013.
- d) **Valuation of Stocks:** Stocks are valued at lower of cost or net realizable value on FIFO basis.
- e) **Investment:** Investments of the Company, being non current investments, are stated at cost.
- f) **Taxes on Income :** Tax expenses comprises of current and deferred tax. Provision for Current tax is made based on the liability computed in accordance with the Indian Income Tax Act, 1961. The tax rates and tax laws used to compute the tax liability are those that are enacted or substantively enacted at the reporting date. Deferred tax is recognized on the basis of timing differences arising between the taxable income and accounting income computed using the tax rates and the laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized only if there is a virtual certainty that they will be realized and reviewed for the appropriateness of their carrying values at each balance sheet date.
- g) **Cash flows Statement :** Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.
- h) **Earning Per Share :** Basic earnings per share is computed by dividing the profit/(loss) after tax (including post tax effect of extraordinary items if any) by the weighted average number of equity shares outstanding during the year.
- i) **Provisions, Contingent Liabilities and Contingent Assets:** Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that



there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes after careful evaluation of facts and legal aspects of the matter involved. Contingent Assets are neither recognized nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

**j) Impairment of Assets:** The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

2. The debit and credit balances of the Parties are subject to confirmation from them.
3. As per the information available with the Company, there are no overdue principal and/or interest amounts payable to the Suppliers under the Micro Small and Medium Enterprises Development Act, 2006 at the close of the financial year.
4. Contingent liabilities not provided for in the accounts: NIL
5. The accumulated losses as on 31<sup>st</sup> March, 2017 exceeds the Net Worth of the Company. The Company has incurred net cash losses during the current and the previous years and the liabilities exceeds the assets. However, the Accounts are prepared on the basis that the Company is a going concern as the Company has successfully relisted the Company on the Bombay Stock Exchange and have started operations in diversified business activities. The Company foresees its better future prospects.
6. In the opinion of the Board the Current Assets, Loans & Advances are approximately of the value stated. if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of amounts reasonably necessary. No personal expenses have been charged to revenue account.
7. Disclosure of Specified Bank Notes (SBN) held and transacted during 08.11.2016 to 30.12.2016 is as under:

	<b>SBNS. ₹</b>	<b>Other Denominations Notes. ₹</b>	<b>Total ₹</b>
Closing cash on hand as on 08.11.2016	1350000	15441	1365441
(+) Permitted receipts	0	917517	917517
(-) Permitted Payments	0	645374	645374
(-) Amount deposited in Banks	1350000	0	1350000
Closing cash in hand as on 30.12.2016	0	287584	287584



**8. Disclosure of Segment Reporting (Accounting Standard 17):**

The business segment has been considered as the primary segment. The Company is primarily in the business trading in segment of chemicals and fruits & vegetable products. There are no export sales.

**9. Disclosure of Related party (Accounting Standard 17):**

a) Relationship

- |                             |  |
|-----------------------------|--|
| (i) Subsidiary Company      | None                                     |
| (ii) Associate Concern      | None                                     |
| (iii) Key Person (Director) | 1. Mr. Kumar V. Shah – Managing Director |

b) Transaction

- |                            |  |
|----------------------------|--|
| (i) Key Persons (Director) | 1. Remuneration                            |
|                            | K.V.Shah - ₹ 922500/- (P.Y. ₹ 90000/-)     |
|                            | 2. Unsecured Loan received as at year end. |
|                            | K.V.Shah - ₹ 8204660/- (P.Y. ₹ 2604160/-)  |

**10. Disclosure of Earning Per Share ( Accounting Standard 20)**

	<b>2016-17</b>	2015-16
Net ( Loss) Profit for The Year	(₹ 2679344)	(₹ 1217106)
No. of Equity Shares of ₹ 10/- each	7600000	7600000
Weighted Average No. of Equity Shares	7600000	6634791
Earnings per share – Basic & Diluted.	(₹ 0.35)	(₹ 0.18)

**11. Disclosure of Taxes on income ( Accounting Standard 22):**

No recognition of Net Deferred Tax Assets for losses available for set off under the provisions of Income Tax Act, 1961 over the Deferred tax liability for unabsorbed depreciation have been made in the Account on prudence basis due to non existence of supporting evidence for availability of future taxable Income.

**12. Disclosure of Leases ( Accounting Standard 19):**

The Company as a Lessee has taken office premises at Mumbai on operating lease for 12 months. The lease rent for the year ₹ 132000 (PY ₹ 132000) has been recognized in the profit & loss account.



13. Previous year figures are regrouped and re-arranged wherever necessary so as to make them comparable with those of the current year's figures.

**For C.K. Patil & Co.**

Chartered Accountants

Firm Regn No. 107803W

For and on behalf of the Board

**C. K. Patil**

Proprietor

M.No. 033243

**Kumar V. Shah**

Chairman & Managing Director

DIN : 01451912

**H. A. Salunkhe**

Director

DIN : 03626114

Place : Mumbai

Dated : 30<sup>th</sup> May, 2017

Place : Mumbai

Dated : 30<sup>th</sup> May, 2017



**FORM A**

(Pursuant to Clause 31(a) of Listing Agreement)

Format of covering letter of annual audit report to be filed with the stock exchange

S. No.	Particulars	Details
1.	Name of Company	Mitshi India Ltd.
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2017
3.	Type of audit observation	Unqualified
4.	Frequency of observation	Yearly
5.	To be signed by	–
	CEO/Managing Director	Kumar Shah
	CFO/General Manager	–
	Auditors of the Company	
	Audit Committee Chairman	Hashmukh Patel

For Mitshi India Ltd.

**Kumar Shah**  
Managing Director

**Hashmukh Patel**  
Chairman of Audit Committee  
(During the period under review)

For **C. K. Patil & Co.**  
**Chartered Accountants**  
Firm Regn. No.107803W

**C. K. Patil**  
**Proprietor**  
M.No.033243



Form No. MGT-11

**PROXY FORM**

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID

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

Name :	E-mail Id:
Address:	
Signature, or failing him	
Name :	E-mail Id:
Address :	
Signature, or failing him	
Name :	E-mail Id:
Address:	
Signature, or failing him	

as my / our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the company, to be held on the 9<sup>th</sup> day of September, 2017 at 9 a.m. at Emerald Club hall, Royal palms, Aarey colony Goregaon (e) Mumbai-400065 and at any adjournment thereof in respect of such resolutions as are indicated below:



**Resolution No.**

Sl. No.	Resolution(s)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31 <sup>st</sup> March, 2017		
2.	Re-appointment of M/s. C.K.Patil , Chartered Accountants as Statutory Auditors & fixing their remuneration		
3.	Appointment of Mr. Kumar V. Shah as Director		
4.	Approval of increase in Authorized Share Capital of the Company		
5.	Approval of alteration of clause V of the Memorandum of Association of the Company due to increase in Authorized Share Capital of the Company		
6.	Approval of alteration of Article No. 3 of the Articles of Association of the Company due to increase in Authorized Share Capital of the Company		
7.	Approval of issue of equity shares on Preferential Basis		
8.	Increase in the Borrowing Limits		
9.	Creation of Charge		
10.	Reappointment of Mr. Kumar V. Shah as Managing Director		

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_ day of \_\_\_\_ 20 \_\_\_\_

Affix  
Revenue  
Stamp

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder across Revenue Stamp

**Note:**

- 1) 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.
- 2) The proxy need not be a member of the company.



### ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

27<sup>th</sup> Annual General Meeting on \_\_\_\_\_

Full name of the members attending \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I her by record my presence at the 27<sup>th</sup> Annual General meeting of the MITSHI INDIA LIMITED \_\_\_\_\_ on \_\_\_\_\_  
\_\_\_\_\_ day, the \_\_\_\_\_ 2017

(Member's /Proxy's Signature)

**Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.







BOOK-POST

If undelivered please return to:

**MITSHI INDIA LIMITED**

2, Juhu Aradhana, CHS Ltd.

Juhu lane, Mumbai - 400 058.