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# **EIGHTH ANNUAL REPORT**

## **2018-2019**

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**electronics**



**MYSTIC**

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**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Krishan Khadaria	Director
Mr. Manoj Bhatia	Director
Mr. Tarun Keram	Director
Mrs. Asha Khadaria	Director
Mr. Mohit Khadaria	Managing Director
Mrs. Niraali Thingalaya	Director
Ms. Manisha Swami	Company Secretary
Mr. Rajesh Agrawal	Chief Financial Officer

**AUDIT COMMITTEE:**

Mr. Manoj Bhatia	Chairman
Mr. Krishan Khadaria	Member
Mr. Tarun Keram	Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Manoj Bhatia	Chairman
Mr. Krishan Khadaria	Member
Mr. Tarun Keram	Member

**NOMINATION AND REMUNERATION COMMITTEE**

Mr. Tarun Keram	Chairman
Mr. Krishan Khadaria	Member
Mr. Manoj Bhatia	Member

**AUDITORS:**

M/s. Bansal Bansal & Co.  
Chartered Accountants, Mumbai

**BANKERS:**

Axis Bank Ltd.  
ICICI Bank Ltd.  
IDBI Bank Ltd.  
Kotak Mahindra Bank

**REGISTERED OFFICE**

401/A, Pearl Arcade, Opp. P. K. Jewellers,  
Dawood Baug Lane, Off J. P. Road, Andheri (West), Mumbai – 400 058  
Tel. No.: 022-26778155  
CIN:L72300MH2011PLC221448  
Email id.: [electronics.mystic@gmail.com](mailto:electronics.mystic@gmail.com)  
Website: [www.mystic-electronics.com](http://www.mystic-electronics.com)

**REGISTRAR & TRANSFER AGENT**

Bigshare Services Pvt. Ltd.  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road  
Marol, Andheri (East), Mumbai 400059  
Tel: 022 62638200 Fax: 022 62638299  
Email id.: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**NOTICE**

**Notice** is hereby given that the **Eighth Annual General Meeting** of the Members of Mystic Electronics Limited will be held on **Monday, 30th September, 2019, at 10:00 a.m.** at Aabhar Studio- 606, Aston Building, Sundervan Complex, Above Mercedes Showroom, Near Lokhandwala Circle, Andheri (West), Mumbai- 400053 to transact the following business: -

**ORDINARY BUSINESS:****1. Adoption of Audited Financial Statements:**

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the Reports of the Board of Directors and the Auditors thereon.

**2. Appointment of Mrs. Asha Khadaria as a Director liable to retire by rotation:**

To appoint Mrs. Asha Khadaria (holding DIN: 00219112) as Director, who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:****3. Re-appointment of Mr. Manoj Ganeshdas Bhatia (DIN: 01953191) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 (the ‘Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), **Mr. Manoj Ganeshdas Bhatia** (DIN: 01953191), who was appointed as an Independent Director of the Company for a term of five consecutive years w.e.f. 30th September, 2014 and who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for reappointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act signifying his intention to propose Mr. Bhatia as a candidate for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution.”

**4. To appoint Mr. Narendra Ramkishor Gupta (DIN: 00418421) as an Independent Director of the Company.**

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 Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Mr. Narendra Ramkishor Gupta** (DIN: 00418421), who qualifies for being appointed as an Independent Director and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) years with effect from 30th September, 2019 up to 29th September, 2024.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby severally authorized to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all such acts, deeds, matters and things as may be necessary, proper, desirable or expedient to give effect to this resolution and to file e-forms to the Registrar of Companies, Mumbai.”

**5. To ratify and approve existing material Related Party Transactions.**

To consider and if thought fit, to pass with or without modification(s) if any, the following as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) (including any statutory modification (s) or amendment (s) or re-enactment (s) thereof, for time being in force), approval of the members of the company be and is hereby accorded to the material related party transactions entered into between the Company and Nouveau Global Ventures Limited & between the Company and Mukta Agriculture Limited w.r.t. Loan given and taken respectively, related parties, for the Financial Year 2018-19.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 (the ‘Rules’) and along with the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, including any statutory modification (s) or amendment (s) or re-enactment (s) thereof, for time being in force), approval of the members of the company be and is hereby accorded to the proposed all material & other related party transactions to be entered into between the Company and Nouveau Global Ventures Limited & the Company & Mukta Agriculture Limited, for a maximum limit upto Rs. 50 Crores (Rupees Fifty Crores Only) per annum per Company from the Financial Year 2019-20 onwards for each of the Financial Year.

**RESOLVED FURTHER THAT** all actions and decisions taken by the Board of Directors (including its Committee thereof), in this connection be are hereby approved, ratified and confirmed in all respects and the Board of Directors of the Company (including its Committee thereof) is further authorized to do all such acts, deeds, matters and things as may be necessary and sign and execute all documents, agreements and writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto.”

**6. To approve transactions with related parties under section 188 of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.**

To consider and if thought fit, to pass with or without modification(s) if any, the following as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (the ‘Rules’), Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any subsequent modifications, amendments or clarifications thereon, and pursuant to the approval of the Audit Committee and the Board of Directors, consent of the members be and is hereby accorded to authorize the management of the Company to enter into Related Party Transactions, Contracts or Arrangements including Material Related Party Transactions, Contracts or Arrangements as may be appropriate with related parties as defined under the Act which are mentioned below from the Financial Year 2019-20 onwards for each Financial Year up to the maximum amount per annum as per details provided hereunder :

**MAXIMUM VALUE OF CONTRACT / TRANSACTION (PER ANNUM w.e.f. 01.04.2019)**

Name of the Related Parties	Name of interested Director(s)/ KMP(s)	Nature of relationship	Nature of Transaction	Estimated transaction value for the financial year 2019-20 (Rs. Crores)	Any other information relevant or important for the members to take a decision on the proposed resolution
Navyug Telefilms Private Limited	Mr. Krishan Khadaria, Director	Director Mr. Krishan Khadaria is also Director in the related Company	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Golden Meadows Export Private Limited	Mr. Krishan Khadaria and Mr. Mohit Khadaria, Directors	Director Mr. Krishan Khadaria & Managing Director Mohit Khadaria are also Directors in the related Company	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Attribute Shares and Securities Pvt. Ltd	Mr. Krishan Khadaria and Mr. Mohit Khadaria, Directors	Director Mr. Krishan Khadaria & Managing Director Mohit Khadaria are also Directors in the related Company	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Mumbadevi Finance and Investment Company Pvt. Ltd.	Mr. Krishan Khadaria, Director	Director Mr. Krishan Khadaria is a member in the related Company	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Forever Flourishing Finance & Investment Pvt. Ltd	Mr. Krishan Khadaria and Mr. Mohit Khadaria, Directors	Director Mr. Krishan Khadaria & Managing Director Mohit Khadaria are also Directors in the related Company	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Laxmiramuna Investment Pvt Ltd	Mr. Krishan Khadaria and Mrs. Asha Khadaria, Directors	Directors Mr. Krishan Khadaria & Mrs. Asha Khadaria are also Directors in the related Company	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Mystic Investments	Mr. Mohit Khadaria Managing Director	Managing Director Mr. Mohit Khadaria is a partner in the related firm.	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Global Enterprises	Mr. Krishan Khadaria, Directors	Director Mr. Krishan Khadaria is a partner in the related Firm.	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
MT Organics LLP	Mr. Krishan Khadaria, and Mr. Mohit Khadaria, Directors	Managing Director Mr. Mohit Khadaria is a Designated Partner and Director Mr. Krishan Khadaria is Authorized signatory of Partner Company, Mukta Agriculture Ltd. In Related LLP.	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None

Name of the Related Parties	Name of interested Director(s)/ KMP(s)	Nature of relationship	Nature of Transaction	Estimated transaction value for the financial year 2019-20 (Rs. Crores)	Any other information relevant or important for the members to take a decision on the proposed resolution
3M Enterprises	Mr. Mohit Khadaria, Managing Director	Managing Director Mr. Mohit Khadaria, is a Partner & Mr. Krishan Khadaria is authorized Signatory of Partner Company, Mukta Agriculture Limited in Related Firm.	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None
Laxmi Investments	Mr. Krishan Khadaria, Director	Director Mr. Krishan Khadaria is partner in Related Firm	Forms part of item 6 of Explanatory Statement annexed to this Notice	25	None

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall include any committee constituted by the Board of Directors of the Company or any person(s) authorized by the Board to exercise the powers conferred on the Board of Directors of the Company by this Resolution) be and is hereby authorised to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit and the Board is also hereby authorised to resolve and settle all questions, difficulties or doubts that may arise with regard to the said transactions and to finalize and execute all such agreements, deeds, documents and writings and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** all actions and decisions taken by the Board of Directors (including its Committee thereof), in this connection be are hereby approved, ratified and confirmed in all respects and the Board of Directors of the Company (including its Committee thereof) is further authorized to do all such acts, deeds, matters and things as may be necessary and sign and execute all documents, agreements and writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

**By and on behalf of the Board  
For Mystic Electronics Limited**

**Mohit Khadaria  
Managing Director  
DIN: 05142395**

**Registered Office:  
401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane,  
Off J. P. Road, Andheri (West),  
Mumbai – 400 058  
Place: Mumbai  
Dated: 30th August, 2019**

**NOTES:****1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ('AGM' or 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL / BALLOT INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY**

The instrument appointing the proxy duly completed must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting, either in person or through post. A proxy form is sent herewith.

Pursuant to the provisions of Section 105 of the Companies Act, 2013 (the 'Act') read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Member holding more than ten percent of the total share capital of the Company may appoint single person as proxy who shall not act as proxy for any other person or shareholder. If shares are held jointly, proxy form must be signed by all the members. If proxy form is signed by authorized representative of body corporate or attorney, certified copy of board resolution / power of attorney / other authority must be attached with the proxy form.

2. An Explanatory Statement pursuant to Section 102 of the Act relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 23rd September, 2019 to Monday, 30th September, 2019 (both days inclusive) in connection with the AGM and for determining the names of members eligible for equity dividend, if declared at the AGM.
4. Members holding shares in physical mode and who have multiple accounts in identical names or joint accounts in the same order are requested to send all their relevant share certificates to the RTA for consolidation to one account to facilitate better service.
5. Members who hold shares in dematerialized form are requested to bring details of their demat account (DP ID and client ID) for speedy and easier identification of attendance at the meeting.
6. Corporate Members intending to send their authorised representative to attend the AGM pursuant to Section 113 of the Act are requested to send a duly certified copy of the Resolution authorizing their representative to attend and vote at the meeting.
7. Members may note that the details of the Director seeking re-appointment as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) forms an integral part of the notice. Requisite declarations have been received from the Director for seeking his / her re-appointment.
8. Relevant documents referred to in the accompanying Notice and Explanatory Statement shall be open for inspection by the members at the Registered Office of the Company on all working days during business hours and will also be made available at the meeting.
9. Members are requested to notify immediately any change in their address, bank account details and / or e-mail id to their respective Depository Participant (DP) in respect of their electronic shares / demat accounts and in respect of physical shareholding, to the Registrar and Transfer Agent (RTA) of the Company at M/s. Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri (East), Mumbai 400059 Tel: 022 62638200 Fax: 022-62638299 Email id.: [info@bigshareonline.com](mailto:info@bigshareonline.com)
10. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013 read with the Rules made thereunder are requested to send the prescribed Form SH-13 to the Registered Office of the Company. Any change or cancellation of the nomination



already given is to be given in Form SH-14. Form SH-13 and Form SH-14 are available on the Company's website [www.mystic-electronics.com](http://www.mystic-electronics.com) for download.

11. Equity Shares of the Company are traded under the compulsory demat mode on the Stock Exchange. Considering the advantages of scrip less / demat trading, shareholders are advised to get their shares dematerialized to avail the benefits of scrip less trading.
12. In terms of Regulation 40 of Listing Regulations, the securities of the listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the same, members are advised to dematerialize shares held by them in physical form.
13. Member / proxy holder shall hand over the attendance slip, duly signed and filled in all respect at the entrance of AGM venue for attending the meeting. Route map of venue of AGM is given in this notice.
14. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least ten days in advance of the AGM date to the Company at its Registered Office address to enable the Company to collect the relevant information and answer them in the meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN details to the Company or the RTA.
16. **COMMUNICATION THROUGH E-MAIL:** The situation of global warming demands preservation and protection of environment, which can be attained and / or sustained by preserving and growing more trees on the earth. In order to protect the environment, we as a responsible citizen can contribute in every possible manner. Considering this object in mind, members are requested to register his / her e-mail id to receive all communication electronically from the Company. This would also be in conformity with the legal provisions. Members may note that the Company would communicate important and relevant information, notices, intimation, circulars, annual reports, financial statements, any event based documents etc. in electronic form to the e-mail address of the respective members.

Members are requested to support green initiative by registering their e-mail id (a) in case of electronic / demat holding with their respective Depository Participant and (b) in case of physical holding either with the RTA by sending e-mail to [info@bigshareonline.com](mailto:info@bigshareonline.com) or with the Company by sending e-mail to [electronics.mystic@gmail.com](mailto:electronics.mystic@gmail.com) by quoting name and folio number.

This initiative would enable the members to receive communication promptly besides paving way for reduction in paper consumption and wastage. You would appreciate this initiative taken by the Ministry of Corporate Affairs and your Company's desire to participate in the initiative. If there is any change in e-mail id, shareholder can update his / her e-mail id in same manner as mentioned above.

The Notice of the AGM along with the Annual Report 2018-19 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. Members may note that this Notice and Annual Report 2018-19 will also be available on the Company's website [www.mystic-electronics.com](http://www.mystic-electronics.com).

17. **PROCEDURE OF VOTING AT AGM:**

Members who do not vote by e-voting are entitled to vote at the meeting. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting.

Voting to the resolutions as contained in the Notice shall be conducted through ballot / poll. Relevant facility for voting shall also be made available at the meeting and members attending the meeting who have not already cast their vote by

remote e-voting shall be able to exercise their right to vote at the meeting. Members who are entitled to vote can cast their vote through ballot paper in the AGM. The Company will make arrangement in this respect including distribution of ballot papers under the supervision of Scrutinizer appointed for the purpose. Members will need to write on the ballot paper, inter alia, relevant Folio no. / DP ID & Client ID and number of shares held etc.

#### **18. E-VOTING FACILITY:**

Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 8th AGM and accordingly, business / resolutions as mentioned in this Notice shall be transacted through e-voting. Necessary arrangements have been made by the Company with National Securities Depositories Limited (NSDL) to facilitate e-voting. The Company has appointed Mr. Arvind Dhanraj Baid (Mem. No. 155532) proprietor of M/s. Arvind Baid & Associates, Practicing Chartered Accountant, to act as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

Further, the remote E-voting period commences on 27th September, 2019 at 09:00 AM and will end on 29th September, 2019 at 05:00 PM. During this period, shareholders of the Company holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd September, 2019 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the AGM. The members attending the AGM, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The Members whose names appear in the Register of Members as on 23rd September, 2019 ('cut-off date') are entitled to vote on the resolutions set forth in this Notice. Person who is not member as on the said date should treat this Notice for information purpose only.

For any queries / grievances or guidance for e-voting, may write to [electronics.mystic@gmail.com](mailto:electronics.mystic@gmail.com) and member may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

The Members must refer to the detailed procedure on electronic voting provided below.

#### **The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:**

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

#### **➤ Details on Step 1 is mentioned below:**

#### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:**

- a) For Members who hold shares in demat account with NSDL. 8 Character DP ID followed by 8 Digit Client ID  
 For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*.
- b) For Members who hold shares in demat account with CDSL. 16 Digit Beneficiary ID  
 For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*.
- c) For Members holding shares in Physical Form. EVEN Number followed by Folio Number registered with the company  
 For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

➤ **Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [caarvindbaid@gmail.com](mailto:caarvindbaid@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**By and on behalf of the Board  
For Mystic Electronics Limited**

**Mohit Khadaria  
Managing Director  
DIN: 05142395**

**Registered Office:  
401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane,  
Off J. P. Road, Andheri (West),  
Mumbai – 400 058  
Place: Mumbai  
Dated: 30th August, 2019**

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

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 sets out the material facts relating to the business mentioned at item No. 3 to 6 of the accompanying notice dated 30th August, 2019.

**ITEM NO. 3**

Mr. Manoj Ganeshdas Bhatia (DIN: 01953191) is an Independent Director of the Company. The Members at the 3rd AGM of the Company held on 30th September, 2014 had approved the appointment of Mr. Bhatia as an Independent Director of the Company to hold office for a term of 5 (Five) years up to 31st March, 2019. As per Section 149(10) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term up to five consecutive years on the Board of a Company. Based on recommendation of the Nomination and Remuneration Committee & Board, and in terms of provisions of Sections 149, 150, 152, Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Bhatia, being eligible for reappointment as an Independent Director and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a member proposing the re-appointment of Mr. Manoj Ganeshdas Bhatia for the office of Independent Director, is proposed to be re-appointed as an Independent Director for a second term of five consecutive years from 1st April, 2019 up to 31st March, 2024.

Mr. Bhatia is a Chairman of the Audit Committee and Stakeholders Relationship Committee of the Company and member of Nomination Remuneration Committee. Mr. Bhatia has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the Listing Regulations. The Company has received necessary declarations / disclosure / confirmation from Mr. Bhatia as required under the Act and Listing Regulations. Copy of the draft letter for re-appointment of Mr. Bhatia as an Independent Director setting out terms and conditions would be available for inspection by the members of the Company at the Registered Office of the Company on all working days during business hours up to the date of 8th AGM of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Bhatia as an Independent Director and on the recommendation of the Nomination and Remuneration Committee and Board and based on the performance evaluation, recommends the Special Resolution as set out at Item No. 3 of the Notice of the AGM for approval of the members. The Resolution and Explanatory Statement may be considered as sufficient disclosure and information under the statutory provisions as may be applicable, relevant or necessary.

Save and except Mr. Bhatia, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 3 of the Notice of the 8th AGM.

The Board recommends the passing of Special Resolution as set out at Item No. 3 of the accompanying Notice for member's approval.

**ITEM NO.4**

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 30th August, 2019 has proposed that Mr. Narendra Ramkishor Gupta (DIN: 00418421), who has submitted a declaration that he meets the criteria for independence, as provided in Section 149 (6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), be appointed as an Independent Director on the Board of the Company for a period of five consecutive years commencing from the conclusion of ensuing AGM i.e. 30th September, 2019 up to 29th September, 2024.

As per the provisions of the Section 149 of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and is not liable to retire by rotation. The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Gupta for the office of Director of the Company. Mr. Gupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India the requisite details of Mr. Gupta is provided as part of the Notice of 8th AGM.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the Board of Directors recommend the Ordinary Resolution as detailed in Item No. 4 of the Notice for the approval of the members.

Save and except Mr. Gupta, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the Notice.

**ITEM NO.5**

As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Since the aggregate value of transaction with Nouveau Global Ventures Limited and Mukta Agriculture Limited, which is in the ordinary course of business and on an Arm’s Length Basis, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, the said transaction would be considered to be Material Related Party Transaction for the purpose of provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and will thus require approval of the members of the Company through an Ordinary Resolution. The Audit Committee and Board of Directors have reviewed major terms & conditions of this transaction and recommend to the members for their approval by way of an Ordinary Resolution.

Further based on the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with provisions of Section 188 of the Act applicable if any and the Rules made thereunder, the Audit Committee and the Board of Directors (the Board) of the Company have approved the proposed transactions along with the annual limits, that the Company may enter into with its Related Parties (as defined in Section 2 (76) of the Act). The maximum value of the transactions as mentioned in the table below is for each financial year commencing from 2019 -20 and onwards.

<b>A</b>	<b>Name of the Related Party</b>	<b>M/s. Nouveau Global Ventures Limited M/s. Mukta Agriculture Limited</b>
<b>B</b>	<b>Name of the Director or Key Managerial Personnel who is related</b>	Mr. Krishan Khadaria, Mr. Mohit Khadaria & Mrs. Asha Khadaria
<b>C</b>	<b>Nature of Relationship</b>	<ol style="list-style-type: none"> <li>1. Mr. Krishan Khadaria, Director is a Promoter Director of both Nouveau Global Ventures Limited &amp; Mukta Agriculture Limited &amp; also holds more than 2% of shares along with his relative in both the Companies.</li> <li>2. Mr. Mohit Khadaria, Managing Director is a Promoter of Nouveau Global Ventures Limited &amp; he is also a Managing Director in Mukta Agriculture Limited &amp; also holds more than 2% of shares along with his relative in both the Companies.</li> <li>3. Mrs. Asha Khadaria, Director is a Promoter Director of both Nouveau Global Ventures Limited &amp; Mukta Agriculture Limited &amp; also holds more than 2% of shares along with her relative in both the Companies.</li> </ol>
<b>D</b>	<b>Nature, material terms and particulars of contract or arrangement</b>	<ol style="list-style-type: none"> <li>1. The Company may be required to grant business advance / loan and/or make investment in the securities and/or capital contribution in the entity mentioned in the resolution as a part of strategic business decision, to the extent necessary to support the business operations of the said entities or vice versa.</li> <li>2. Additionally, the Company may also be required to provide security by way of mortgage / hypothecation /pledge of securities held and/or charge on any of its movable/immovable properties to the extent of the loan that may be availed by the said entities from term lenders or vice versa.</li> </ol>



		<p>3. The Company may also be required to provide corporate guarantee as collateral security to the extent of the loan that may be availed by the said entities from term lenders. The corporate guarantee shall be provided for the entire duration of the loan or vice versa.</p> <p>4. The Company may also enter into transaction for purchase / sale/lease of immovable properties including FSI and TDRs with the said entities.</p> <p>5. The Company may enter in transaction of sale, purchase or supply of any goods or materials.</p>
<b>E</b>	<b>Monetary Value</b>	As mentioned in the resolution

The approval of the members is being sought by an ordinary resolution in the event of any related party transaction exceeding the threshold limits set out in proviso to Section 188 (1) or the limits specified in Rule 15 (3) of the Companies (Meetings of the Board and Its Powers) Rules, 2014 or Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except for Mr. Krishan Khadaria, Mr. Mohit Khadaria & Mrs. Asha Khadaria & their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolutions set out in Item No. 5 of the Notice for approval by the members.

**ITEM NO.6**

Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provides that all material related party transactions whether they are in the ordinary course of business or on an arm's length basis, shall require approval of the shareholders by a resolution and all the related parties shall abstain from voting on such resolutions.

Explanation to Regulation 23(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, states that a transaction with a related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the company.

Based on Regulation 23 of Listing Regulations and provisions of Section 188 of the Act applicable if any and the Rules made thereunder, the Audit Committee and the Board of Directors (the Board) of the Company have approved the proposed transactions along with the annual limits, that the Company may enter into with its Related Parties (as defined in Section 2 (76) of the Act).

The maximum value of the transactions as mentioned in the table below is for each financial year commencing from 2019-2020 and onwards.

The particulars of the transactions are as under:

<b>A</b>	<b>Name of the Related Parties</b>	As mentioned in the table in the resolution
<b>B</b>	<b>Name of the Director or Key Managerial Personnel who are related</b>	Mr. Krishan Khadaria, Mrs. Asha Khadaria and Mr. Mohit Khadaria
<b>C</b>	<b>Nature of relationship</b>	As mentioned in the table in the resolution
<b>D</b>	<b>Nature, material terms and particulars of contract or arrangement</b>	1. The Company may be required to grant business advance / loan and/or make investment in the securities and/or capital contribution in the entity mentioned in the resolution as a part of strategic business decision, to the extent necessary to support the business operations of the said entities or vice versa.

		<p>2. Additionally, the Company may also be required to provide security by way of mortgage / hypothecation /pledge of securities held and/or charge on any of its movable/immovable properties to the extent of the loan that may be availed by the said entities from term lenders or vice versa.</p> <p>3. The Company may also be required to provide corporate guarantee as collateral security to the extent of the loan that may be availed by the said entities from term lenders. The corporate guarantee shall be provided for the entire duration of the loan or vice versa.</p> <p>4. The Company may also enter into transaction for purchase / sale/lease of immovable properties including FSI and TDRs with the said entities.</p> <p>5. The Company may enter in transaction of sale, purchase or supply of any goods or materials.</p>
<b>E</b>	<b>Monetary value</b>	As mentioned in the resolution.

The approval of the shareholders is being sought by an ordinary resolution in the event of any related party transaction exceeding the threshold limits set out in Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and by prior approval of members, if the limits specified in Rule 15 (3) of the Companies (Meetings of the Board and Its Powers) Rules, 2014 read with Section 188 of Companies Act, 2013, exceeds.

As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, all entities falling within the definition of related parties shall abstain from voting on this resolution and accordingly, the promoters and the promoter group entities shall not vote on this resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except for Mr. Krishan Khadaria, Mr. Mohit Khadaria & Mrs. Asha Khadaria & their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the said ordinary resolution as set out in Item No.6 of the accompanying Notice for the approval of the members in terms of Section 188 (3) of the Act and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**By and on behalf of the Board  
For Mystic Electronics Limited**

**Mohit Khadaria  
Managing Director  
DIN: 05142395**

**Registered Office:  
401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane,  
Off J. P. Road, Andheri (West),  
Mumbai – 400 058  
Place: Mumbai  
Dated: 30th August, 2019**



**INFORMATION PURSUANT TO THE REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION 2015 IN RESPECT OF APPOINTMENT/RE-APPOINTMENT OF DIRECTORS**

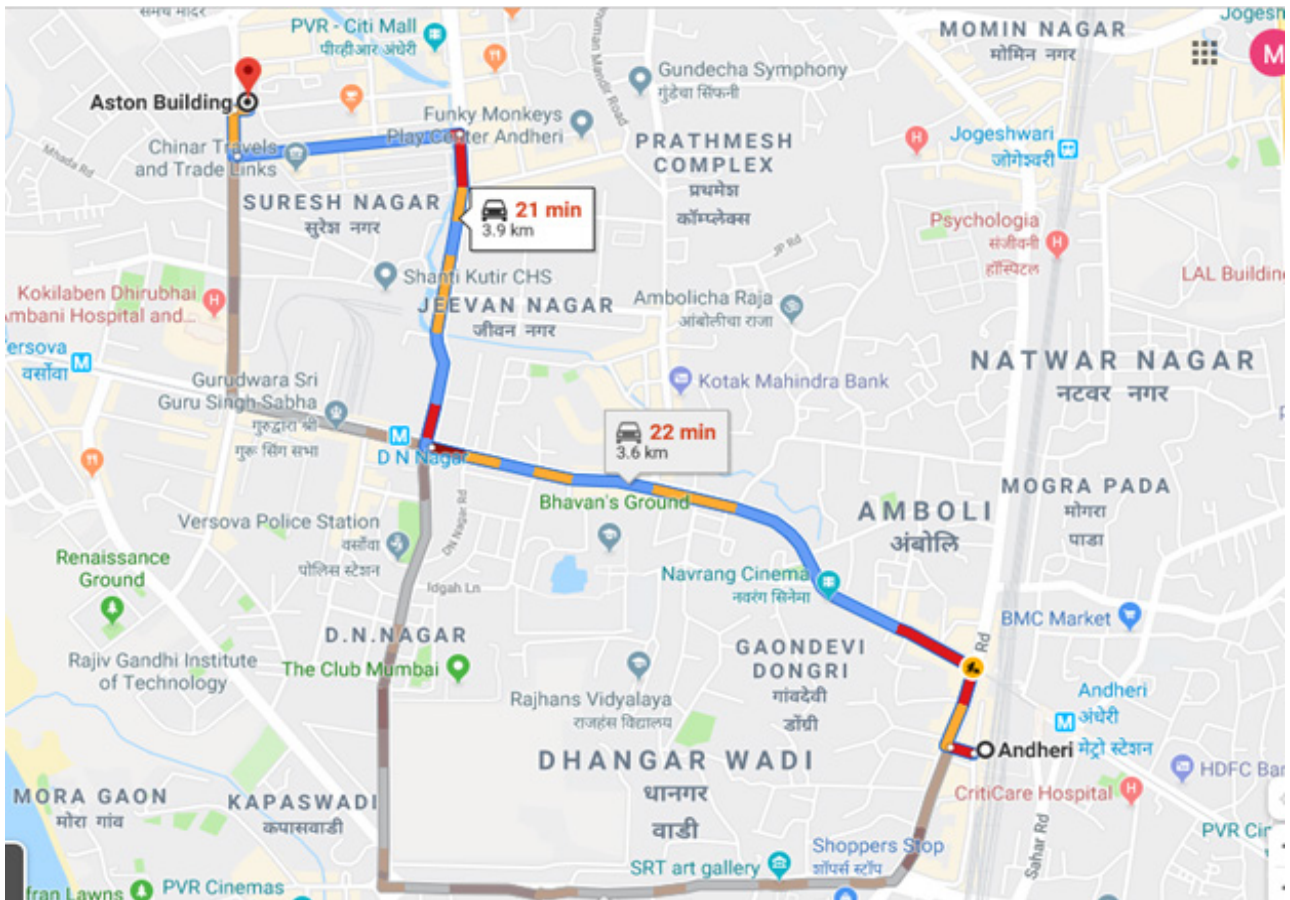
<b>Name of Director</b>	<b>Asha Khadaria</b>	<b>Manoj Bhatia</b>	<b>Narendra Ramkishor Gupta</b>
<b>DIN</b>	00219112	01953191	00418421
<b>Date of Birth &amp; Age</b>	11/07/1964 & 55 Year	15/11/1968 & 51 Years	19/12/1958 & 61 Years
<b>Nationality</b>	Indian	Indian	Indian
<b>Date of first appointment</b>	14/12/2017	30/08/2011	Ensuing AGM i.e. 30/09/2019
<b>Educational Qualification</b>	Bachelors in Art	B.Com & Inter CA	B.Com
<b>Brief profile and nature of their expertise in specific functional areas</b>	Mrs. Khadaria, Director promoter of the Company, having rich and diverse experience of over 25 Years in the field of investment activities. She is strength in her self.	Mr. Bhatia is having more than 30 years of experience in the field of finance, audit and Taxation. Since inception he is associated with the Company. Being a financial expert, he plays crucial role in the financial decisions of the company. Mr. Bhatia is serving as a Chairman of Audit Committee & Stakeholders relationship Committee and membership of Nomination Remuneration Committee of the Company	Mr. Gupta is a Bachelor of Commerce. He has experience of around more than 2 decades in the field of finance and also in the field of Film Trade Magazines and editing.
<b>Terms &amp; Conditions of Re-appointment</b>	Re-appointment on retiring by rotation	As per the draft letter of Appointment	As per the draft letter of Appointment
<b>Details of Remuneration last drawn and sought to be paid</b>	NIL	NIL	NIL
<b>Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committees and Stakeholders Relationship Committee)</b>	<b>Nouveau Global Ventures Limited</b> - Stakeholder Relationship Committee (Member)	<b>Mukta Agriculture Limited</b> - Audit Committee (Chairman) -Stakeholders Relationship Committee (Chairman) <b>Nouveau Global Ventures Limited</b> - Audit Committee (Chairman) -Stakeholders Relationship Committee (Member)	<b>Mukta Agriculture Limited</b> - Audit Committee (Member) -Stakeholders Relationship Committee (Member) <b>Nouveau Global Ventures Limited</b> - Audit Committee (Member) -Stakeholders Relationship Committee (Chairman)

<b>Name of Director</b>	<b>Asha Khadaria</b>	<b>Manoj Bhatia</b>	<b>Narendra Ramkishor Gupta</b>
<b>List of directorship held in other Companies as on closure of financial year 2018-19</b>	1. Mukta Agriculture Limited 2. Nouveau Global Ventures Limited 3. Laxmiramuna Investments Private Limited 4. Pearl Arcade Amusement Private Limited	1. Mukta Agriculture Limited 2. Nouveau Global Ventures Limited 3. Built-Up Steel Private Limited 4. Nouveau Shares & Securities Limited 5. Ashadeep Multitrade Private Limited	1. Mukta Agriculture Limited 2. Nouveau Global Ventures Limited 3. Metro Publishers Private Limited
<b>Shareholding in the Company</b>	<b>4,13,761 Equity Shares</b>	<b>NIL</b>	<b>NIL</b>
<b>Relationship with other Director</b>	Not related to any Director of the Company except Mr. Mohit Khadaria & Mr. Krishan Khadaria	Not related to any Director of the Company	Not related to any Director of the Company
<b>No. of Board Meetings attended during the F.Y. 2018-19</b>	7 of 7	7 of 7	NA



**ROUTE MAP OF THE VENUE**

**OF THE 8TH ANNUAL GENERAL MEETING OF THE COMPANY,  
TO BE HELD ON 30th September, 2019 at Aabhar Studio- 606, Aston Building, Sundervan Complex, Above Mercedes  
Showroom, Near Lokhandwala Circle, Andheri (West), Mumbai- 400053**



**Prominent Landmark: Lokhandwala Circle, Above Mercedes Showroom, Andheri (West), Mumbai- 400053.**

**DIRECTORS' REPORT**

To,  
The Members,  
MYSTIC ELECTRONICS LIMITED

Your Directors are pleased to present the 8th Annual Report along with the Audited Accounts for the Financial Year ended 31st March, 2019.

**1. FINANCIAL PERFORMANCE OF THE COMPANY**

(Rs. In Lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Profit/(Loss) before interest, depreciation, tax and Extra Ordinary Items</b>	<b>5.981</b>	<b>(384.08)</b>
Less: Depreciation/amortization	0.277	0.92
<b>Profit/(Loss) before interest, tax and Extra Ordinary Items</b>	<b>5.704</b>	<b>(385.00)</b>
Less: Finance Costs	12.576	2.40
<b>Profit/(Loss) before tax and Extra Ordinary Items</b>	<b>(6.872)</b>	<b>(387.40)</b>
Less: Provision for taxes on income		
--Current tax	-	-
--Deferred tax liability / (asset)	(0.077)	0.37
<b>Profit/(Loss) before Extra-Ordinary Items</b>	<b>(6.795)</b>	<b>(387.77)</b>
Extra Ordinary Items (Net of Tax)	-	-
<b>Profit/ (Loss) for the year</b>	<b>(6.795)</b>	<b>(387.77)</b>
Other Comprehensive Income	(153.89)	(364.09)
<b>Total Comprehensive Income for the year</b>	<b>(160.68)</b>	<b>(751.86)</b>

**2. STATE OF COMPANY'S AFFAIRS**

Your Directors regret to report that the company has continued to incur losses amounting to Rs. 6,79,536/- after Tax in the financial year under review as compared to losses incurred during the previous financial year.

Due to losses in the previous years, your directors are striving to recover the losses and have been exploring the other prospective growth avenues so as to restore the Company's financial position.

**3. DIVIDEND & RESERVES**

Your Directors do not recommend any dividend for the year ended 31st March, 2019 and no amount was transferred to Reserves.

**4. SHARE CAPITAL**

The paid up Equity Share Capital as on 31st March, 2019 is Rs. 19,76,62,480/- (Rupees Nineteen Crores Seventy-Six Lakhs Sixty-Two Thousand Four Hundred and Eighty Only) divided into 1,97,66,248 (One Crore Ninety-Seven Lakh Sixty-Six Thousand Two Hundred and Forty-Eight) Equity Shares of the face value of Rs. 10/- each. During the year under review, the Company has not issued any shares with or without differential voting rights. It has neither issued employee stock options nor Sweat Equity Shares and does not have any scheme to fund its employees to purchase the shares of the Company.

**5. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)*****Director retires by rotation:***

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mrs. Asha Khadaria, Director of the Company, retires by rotation, at the forthcoming Annual General Meeting (AGM) and, being eligible, offers herself for re-appointment. Your Directors recommend her re-appointment as Director of the Company.

***Appointment and cessation of Directors during the year:***

During the year under review, in pursuance with the provisions of Section 149, 161 and other applicable provisions of the Companies Act, 2013 and in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board of Directors had at its meeting held on 12th April, 2018 & 30th May, 2018, appointed Mr. Harpreet Singh Kohli & Mrs. Niraali Santosh Thingalaya as an Additional Director of the Company, respectively in Non-Executive Independent Director's Category with immediate effect and whose term was upto the 7th AGM. But due to some personal reasons Mr. Kohli tendered his resignation to the Board from the post of Additional Director with effect from 20th April, 2018.

Further, the requisite resolution for approval of Mrs. Thingalaya's appointment as an Independent Director for the term of 5 Consecutive Years has been proposed in the notice of 7th AGM for the approval of the members which was held on 29th September, 2018 and her term of appointment commenced from 30th September, 2018 to 29th September, 2023.

Pursuant to the provisions of the Companies Act, 2013, the members at 3rd AGM of your Company which was held on 30th September, 2014 had appointed Mr. Manoj Bhatia as an Independent Director to hold office for 5 (five) consecutive years for a term up to 31st March, 2019. Mr. Manoj Bhatia is eligible for the re-appointment as Independent Director for second term of up to 5 (five) consecutive years. Thus, in terms with the applicable statutory provisions and based on the recommendation of the Nomination and Remuneration Committee, the Board recommends for the approval of the members through a Special Resolution at the 8th AGM of your Company, the re-appointment of Mr. Bhatia as an Independent Directors for a second term of 5 (five) consecutive years from 1st April, 2019 to 31st March, 2024.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

***Appointment and Cessation of Key Managerial Personnel (KMP) during the year:***

During the year under review, there was no appointment & cessation of KMP on Board of the Company.

***Information regarding the directors seeking appointment/ re-appointment:***

The Resume/ Profile and other information regarding the directors seeking appointment/re-appointment as required by the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & SS-2 of ICSI have been given in the Notice convening the 8th AGM of the Company.

***Familiarization Program:***

In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company periodically organizes a program in order to familiarize Independent Directors with the Company's operations. The details of familiarization programme have been posted on the website of the Company under the web link: <http://www.mystic-electronics.com/investors.html>.

***Key Managerial Personnel:***

As on date, Mr. Rajesh Agrawal, CFO, Mr. Mohit Khadaria, Managing Director & Miss. Manisha Swami, Company Secretary are the KMPs of the Company.

None of the Directors are disqualified from being appointed as Directors as specified in section 164 of Companies Act, 2013.

*After the closure of financial year under review, Mr. Tarun Keram, who is an Independent Director on the Board of the Company has tendered his resignation to the Board of Directors of the Company with effect from 30th August, 2019. The Board has dully accepted, approved and took the same on record.*

#### **6. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **7. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 of the Act the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable Accounting Standards have been followed and there is no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts for the financial year ended 31st March, 2019 on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **8. MEETINGS OF THE BOARD**

During the year under review, 7(Seven) meetings of the Board of Directors were held. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

#### **9. COMMITTEES OF THE BOARD**

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various committees of Board such as:

- a) **Audit Committee;**
- b) **Nomination & Remuneration Committee; and**
- c) **Stake Holders Relationship Committee.**

The details with respect to the composition, powers, roles, terms of reference, number of meetings held, attendance at the meetings etc. of statutory committees are given in detail in the Corporate Governance Report, which forms part of this Report.



**10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES**

Your Company does not have any subsidiary, joint ventures and associate company for the year ended 31st March, 2019.

**11. EMPLOYEE STOCK OPTION SCHEME**

Presently, the Company does not have a scheme for grant of stock options to its employees.

**12. PARTICULARS OF EMPLOYEES**

The information as per the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of this Report. However, as per first proviso to Section 136(1) of the Act and second proviso of Rule 5(2) of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) and 5(3) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

The statement of Disclosure of Remuneration under Section 197(12) of the Act read with the Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules") is mentioned below.

**Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

1. The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year 2018-19: *Not applicable as your Company is not providing any remuneration to the Directors of the company.*
2. Percentage increase in remuneration of each Director, CFO and Company secretary : *During the year under review No Sitting fees or remuneration was paid to the Directors & percentage increase in the salary of CFO (Mr. Rajesh Agrawal) is 13.33% and Company Secretary (Miss Manisha Swami) is 23.72%.*
3. The percentage increase in the median remuneration of employees in the Financial Year 2018-19: *During the year under review, the median remuneration is Rs. 5.63 lakhs p.a. and the percentage increase in median remuneration of employee is 23.72%.*
4. The number of permanent employees on the rolls of company: *Three (as on 31st March, 2019)*
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

*Not applicable as the Company has not increased the salary of any of the employee other than key managerial personnel during the last financial year. There are no other exceptional circumstances for increase in the remuneration of key managerial personnel and increase in remuneration has been in accordance with the Company's policies.*

6. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**13. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has in place a formal policy for prevention of sexual harassment of its women employees in line with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company has adopted a Policy under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable on your Company and there were no complaint about sexual harassment during the year under review.

#### **14. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

Since the Company is neither engaged in any manufacturing activity nor the Company has any manufacturing unit, therefore there prescribed particulars with regards to compliance of rules relating to conservation of Energy and Technology absorption pursuant to Section 134 (3) (m) of the Companies Act, 2013, read with Rule – 8 (3) of the Companies (Accounts) Rules, 2014 are not applicable on your Company.

#### **15. FOREIGN EXCHANGE EARNINGS AND OUT-GO**

During the period under review there were no foreign exchange earnings or out flow.

#### **16. DEPOSITS**

During the year under review, your Company has not invited or accepted any deposits from the public in terms of Chapter V of the Companies Act, 2013.

#### **17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The details of loans and Investments covered under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 for the financial year 2018-19 are given in the Notes on financial statement.

#### **18. RELATED PARTY TRANSACTIONS**

In line with the requirements of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, your Company has formulated a policy on related party transactions which is available on Company's website at <http://www.mystic-electronics.com/pdfs/policy%20on%20related%20party%20transactionpdf>.

Omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length basis. Pursuant to Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, all related party transactions were placed before the Audit Committee, for their review and approval.

During the year under review, in terms with the provisions of Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company had entered into material related party transactions with M/s. Nouveau Global Ventures Limited & M/s. Mukta Agriculture Ltd and details of which is given in the notes to the Financial Statement and those transactions were in ordinary course of business and on arm's length basis.

Further, the disclosure of material related party transactions pursuant to Section 134(3) of Companies Act, 2013 in Form AOC-2 is not applicable to the Company.

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the Listing Regulations are given in the Financial Statements.

#### **19. STATUTORY AUDITORS & AUDITORS' REPORT**

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, **M/s. Bansal Bansal & Company, Chartered Accountants (Registration No. 100986W)**, were appointed as statutory auditors of the Company for the period of 5 years from the conclusion of the 4th Annual General Meeting (AGM) held on 30th September, 2015 till the conclusion of the 9th AGM.



In accordance with the Section 40 of the Companies (Amendment) Act, 2017, the appointment of Statutory Auditors is not required to be ratified at every AGM. Thus, M/s. Bansal Bansal & Company will continue to hold office till the conclusion of 9thAGM.

The Auditor's Report on financial statements is a part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. During the year, the Statutory & Internal Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

## **20. SECRETARIAL AUDITORS & AUDITORS' REPORT**

Pursuant to the provisions of Section 204 of the Act, Mr. Shivhari Jalan, a Practicing Company Secretary had been appointed to undertake the secretarial audit of the Company for the financial year 2018-19. The Secretarial Audit Report is annexed herewith as **ANNEXURE I**, which forms an integral part of this report.

During the year, the Secretarial Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3) (ca) of the Act.

The responses of your Directors on the observations made by the Secretarial Auditor are as follows:-

### **Response to observation no.1:**

The observation is itself self-explanatory and the management is committed to streamline in future. In regards with the ratification of the same, the Board has placed before the members of the Company for the approval of existing material related party transactions entered by and between the related parties during the Financial Year under review.

## **21. CORPORATE GOVERNANCE**

In compliance with the Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance is given as Annexure and forms an integral part of this Annual Report. A Certificate from the statutory auditors, M/s. Bansal Bansal & Co confirming compliance of the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended to the Corporate Governance Report. A Certificate of the CEO/MD and CFO of the Company in terms of Regulation 17(8) of the Listing Regulations is forming part of corporate Governance Report.

## **22. EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of the Company in Form MGT-9 forms an integral part of this report as **Annexure II**. The Annual Return as referred in Section 134(3)(a) of the Companies Act, 2013 for the financial year ended 31st March, 2019 shall be placed on the website of the Company at [www.mystic-electronics.com](http://www.mystic-electronics.com).

## **23. CORPORATE SOCIAL RESPONSIBILITIES INITIATIVES**

The prerequisite in terms of Section 135 of the Companies Act, 2013 of corporate social responsibility does not apply to the Company.

## **24. INTERNAL CONTROL SYSTEMS**

The Company has adequate and robust Internal Control System, commensurate with the size, scale and complexity of its operation. The Internal Control System is placed to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. Internal Audit is carried out in a programmed way and follow up actions were taken for all audit observations. Your Company's Statutory Auditors have, in their report, confirmed the adequacy of the internal control procedures.

**25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report have been given separately forming part of the Annual Report.

**26. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your Company has formed a Whistle Blower Policy for establishing a vigil mechanism for directors and employees to report genuine concerns regarding unethical behavior and mismanagement, if any. The said mechanism also provides for strict confidentiality, adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate cases. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy.

The said Whistle Blower Policy has been disseminated on the Company's website at <http://www.mystic-electronics.com/investors.html>.

**27. PERFORMANCE EVALUATION OF THE BOARD**

Pursuant to the provisions of Section 134(3), Section 149(8) and Schedule IV of the Act read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Annual Performance Evaluation of the Board, the Directors as well as Committees of the Board has been carried out. The performance evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by Nomination & Remuneration Committee, details of which are provided in the Corporate Governance Report.

The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Non-Independent Directors was carried out by the Independent Directors in their separate meeting. The Board of Directors expressed their satisfaction with the evaluation process.

**28. RISK MANAGEMENT**

The Board of Director of the Company has made risk Management policy which required them to aware the shareholder of the Company regarding Development and implementation of Risk management plan for the Company, including identification therein of element of risk, if any, which in their opinion might threaten the existence of the Company, the Management plan to mitigate the same and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risk and control. The Details of the policy have been posted on the Companies website [www.mystic-electronics.com](http://www.mystic-electronics.com)

**29. DIRECTORS' APPOINTMENT AND REMUNERATION POLICY**

The Board of Directors has framed a Policy which lays down a framework in relation to remuneration of Directors, KMP and other employees of the Company. The salient features of this Policy is given in the Corporate Governance Report. On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 29th March, 2019 have amended the Remuneration Policy of the Company. The amended Policy have been made effective from 1st April, 2019. The said Policy is available on the Company's website at <http://www.mystic-electronics.com/investors.html>.

**30. LISTING**

Shares of your Company are continued to be listed on BSE Limited. Listing fees has already been paid for the financial year 2019-20.

**31. MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments, affecting the financial position of the Company, between the end of the financial year of the Company i.e. 31st March, 2019 and the date of this Report.

**32. COST RECORDS AND COST AUDIT**

In accordance with section 148(1) of the Companies Act, 2013, the provision relating to maintenance of cost records and requirement of cost audit are not applicable to the company during the year under review due to business activities carried out by the company.

**33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS**

There are no significant or material orders passed by the Regulators or Courts or Tribunals which impacts the going concern status of the Company and its future operations.

**34. GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- ii) No change in nature of business.

**35. GREEN INITIATIVES**

The Company supports and pursues the "Green Initiative" of the Ministry of Corporate Affairs, Government of India. The Company has effected electronic delivery of Notice of Annual General Meeting and Annual Report to those Members whose e-mail IDs were registered with the Company/ Depository Participants. The Companies Act, 2013 and the underlying rules as well as Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, permit the dissemination of financial statements and annual report in electronic mode to the Members.

For members who have not registered their email addresses, physical copies are sent in the permitted mode. Your Directors are thankful to the Members for actively participating in the Green Initiative and seek your continued support for implementation of the green initiative.

**36. ACKNOWLEDGEMENT**

Your Directors express deep sense of appreciation to the members, investors, bankers, service providers, customers, and other business constituents for their continued faith, abundant assistance and cooperation extended to the Company. Your Directors would like to make a special mention of the support extended by the various Departments of Government of India, the State Governments, particularly, the Tax Authorities, the Ministry of Commerce, Ministry of Corporate Affairs, Securities and Exchange Board of India and others and look forward to their continued support in all future endeavors.

Your Directors also sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels thereby contributing largely to the growth and success of the Company.

**By and on behalf of the Board  
For Mystic Electronics Limited**

**Krishan Khadaria**  
Director  
DIN: 00219096

**Mohit Khadaria**  
Managing Director  
DIN: 05142395

**Registered Office:**  
401/A, Pearl Arcade, Opp. P. K. Jewellers,  
Dawood Baug Lane, Off J. P. Road,  
Andheri (West), Mumbai – 400 058

**Place: Mumbai**  
**Dated: 30th August, 2019**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

### ➤ **OVERVIEW**

We, Mystic Electronics Limited, is engaged actively in the business of trading of electronic products such as mobile handsets, computer hardware and software etc. and has successfully completed eight years in its trading business. Due to financial difficulties your company is not in profits but we are in the process of diversifying and expanding its existing business activities into newer areas to attain profits during the years which shall be beneficial for the growth of the Company and its members.

### ➤ **GLOBAL ECONOMY**

According to the World Economic Situation and Prospects 2019 report by the World Bank, Global growth is expected to remain at 3% in 2019 and 2020, however, the steady pace of expansion in the global economy masks an increase in downside risks that could potentially aggravate development challenges in many parts of the world. The global economy is facing a convergence of risks, which could severely disrupt economic activity and inflict significant damage on longer-term development prospects. These risks include an accelerating trade disputes, tightening of global financial conditions, and increasing effects climate risks.

Despite an improvement in growth prospects at the global level, several large developing countries saw a decline in per capita income in 2018. Even among the economies that are experiencing strong per capita income growth, economic activity is often driven by core industrial and urban regions, leaving peripheral and rural areas behind.

### ➤ **INDIAN ECONOMY**

For the year 2017-18, the Indian economy grew by 7.2% and is projected to grow around 7% in 2019. As per World Economic Outlook (WEO) 2019 by IMF, the real GDP growth is projected at 7.3% in 2019-20, marking a positive outlook from 2018-19's growth of 7.1%, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. Nevertheless, reflecting the recent revision to the national account statistics that indicated somewhat softer underlying momentum, growth forecasts have been revised downward compared with the October 2018 WEO by 0.1 percentage point for 2019 and 0.2 percentage point for 2020, respectively.

According to WEO, in India, continued implementation of structural and financial sector reforms with efforts to reduce public debt remain essential to secure the economy's growth prospects. In the near term, continued fiscal consolidation is needed to bring down India's elevated public debt. This should be supported by strengthening goods and services tax compliance and further reducing subsidies. Important steps have been taken to strengthen financial sector balance sheets, including through accelerated resolution of nonperforming assets under a simplified bankruptcy framework. These efforts should be reinforced by enhancing governance of public sector banks. Reforms to hiring and dismissal regulations would help incentivize job creation and absorb the country's large demographic dividend; efforts should also be enhanced on land reform to facilitate and expedite infrastructure development.

### ➤ **INDUSTRY STRUCTURE AND DEVELOPMENTS**

In India, the IT & electronics industry is one of the fastest-growing industries, both in terms of production and exports. As per Indian Brand Equity Foundation report, the Indian electronics products demand is expected to grow at a CAGR of 41% during 2017 to 2020 and is expected to reach a valuation of US\$ 400 billion by 2020. By 2025, the Consumer Electronics and Appliances Industry in India is expected to become the fifth largest in the world.

The Indian Electronics Industry growth is driven by growth in consumer electronics with a focus on urban India. But as the government plans to invest in rural electrification, there is a lot of scope for growth from rural markets, with increase in consumption due to brand penetration. Demand for durables like refrigerators as well as consumer electronic goods are likely to grow as well with the support of government. Another driving force is internet retailing through which the industry in connecting every city in the country. Leading e-commerce companies offered a range of discounts that attracted price-sensitive costumers. Key drivers were thus growing awareness, easier access, and changing lifestyles.

Your Company is also aware of the industrial scenario and being alert, focuses mainly on long-term goals, steady and profitable development. Your Company will diversify its scope and business arena by entering into other e-commerce ventures which will be in the interest of the investors of the Company at the large.

➤ **OPPORTUNITIES & THREATS**

**Opportunities:**

Due to rising education levels among the youth, it will definitely lead to have a better lifestyle. This has been fuelling higher spending on discretionary consumer durables and premium products, which is likely to jump from the current 40 percent to 46 percent of household income by 2025. And huge local demand to be an influence in attracting investments. Apart from this 'Make in India' initiative to accelerate investment activity in core and allied sectors. The 'Make in India' policy is the first of its kind for the manufacturing sector as it addresses areas of regulation, infrastructure, skill development, technology, availability of finance, exit mechanism and other pertinent factors related to the growth of the sector.

**Threats:**

- (a) Continuous innovation leads to intense rivalry.
- (b) Homogeneity in product and low switching cost.
- (c) Increasing competition in the industry.
- (d) Product differentiation is very low.
- (e) By changing the input, firms cannot drastically differentiate on price.
- (f) Technological advancement.
- (g) Buyers have huge propensity to substitute.
- (h) Use of internet to get all the information enables the customers to be more powerful.
- (i) Buyer switching cost is very less.

➤ **RISKS & CONCERNS**

E-commerce is changing traditionally accepted economic practices and making competition even fiercer than it has ever been in the past. As the internet opens up larger markets, more and more flexible competitors are entering the market, all offering better price value propositions in order to steal market share. With compliance and regulations becoming stricter. Competitive rivalry is quite high in this sector, as players use innovation and product differentiation to beat peers. Even though labour cost is low in India as compared to countries like China, labour productivity is lower than traditional destinations. There is a shortage of industry ready talent and with changing technology the labour needs to be constantly trained. Government initiatives to increase domestic production will not bring about positive results unless the sector boasts skilled employable workforce.

➤ **OUTLOOK**

The company is putting continuous efforts to attain further efficiencies. Further, the Company is confident that in spite of the challenges and competition in the industry it will perform better in view of the strong fundamentals of the Company and hope to improve its profits & turnover. The Company is expecting to enhance its presence globally to rationalize its significance by entering into the new alliance.

➤ **SEGMENT-WISE PERFORMANCE:**

The Company is operating on only one segment. Hence separate segmental reporting is not applicable. The Company has no activity outside India.

➤ **INTERNAL CONTROLS SYSTEMS AND ADEQUACY**

The Company has an adequate system of internal controls to ensure that transactions are properly authorized, recorded, and reported, apart from safeguarding its assets. The internal control system is supplemented by well-documented policies, guidelines and procedures and reviews carried out by the Company's internal audit function, which submits reports periodically to the Management and the Audit Committee of the Board.

Moreover, the Company has appointed Internal Auditors and they periodically test the efficacy of the prevailing internal control systems submitted their report to the Audit Committee.

➤ **FINANCIAL PERFORMANCE**

The financial performance is covered in the Director's Report and the same can be referred to by the shareholders.

➤ **MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

The Company's human resource continues to be the valuable asset of the company. The team has remained as committed as ever and produced results that are considered significant.

During the year under review, industrial relations have generally remained healthy, cordial and harmonious.

➤ **RATIOS WHERE THERE HAS BEEN A SIGNIFICANT CHANGE FROM FINANCIAL YEAR 2018 TO FINANCIAL YEAR 2019**

During the year under review, the detail of changes made in the following key financial ratios as compare to the immediately previous financial year. The details of the same in a form of comparison is provided as:-

S. No.	Particulars of Ratio	Financial Year 2018-19	Financial Year 2017-18
1	Debtors Turnover Ratio	NA	0.50
2	Inventory Turnover Ratio	NA	NA
3	Interest Coverage Ratio	0.45	(160.49)
4	Current Ratio	1.74	437.73
5	Debt Equity Ratio	NA	NA
6	Operating Profit Margin	NA	(14.18)
7	Net Profit Margin	NA	(14.27)
8	Return on Net worth	(0.002)	(0.10)

**CAUTIONARY STATEMENT:**

*Statements in foregoing paragraphs of this report describing the current industry structure, outlook, opportunities, etc., may be construed as "forward looking statements", based on certain assumptions of future events over which the Company exercises no control. Therefore, there can be no guarantee as to their accuracy. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: growth, competition, domestic & international economic conditions affecting demand, supply & price conditions, changes in Government regulations, tax regimes and other statutes.*

**By and on behalf of the Board  
For Mystic Electronics Limited**

**Krishan Khadaria**  
Director  
DIN: 00219096

**Mohit Khadaria**  
Managing Director  
DIN: 05142395

**Registered Office:**  
401/A, Pearl Arcade, Opp. P. K. Jewellers,  
DawoodBaug Lane, Off J. P. Road,  
Andheri (West), Mumbai – 400 058

**Place: Mumbai**  
**Dated: 30th August, 2019**

ANNEXURE I

**SHIV HARI JALAN**  
**B.COM., F.C.A., F.C.S.**  
**COMPANY SECRETARY**

1055, Level 10, Hubtown Solaris, N. S. Phadke Mark, Andheri East West Flyover, Andheri (East), Mumbai- 400069, Telephone: 22075834, 22075835, 26836215, Mobile: 9869035834. Email:shivharijalancs@gmail.com.

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**  
*[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,  
**Mystic Electronics Limited**  
401/A, Pearl Arcade, Opp. P. K. Jewellers,  
Dawood Baug Lane, Off J. P. Road,  
Andheri (West), Mumbai-400058.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mystic Electronics Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 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) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



- (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the period under review)
- (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the period under review)
- (g) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the period under review)
- (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during the period under review)
- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the period under review)
- (j) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the period under review)

(vi) The company has informed that there are no other laws which are specifically applicable to the company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

*The company has not taken approval of Shareholder for material related party transactions w.r.t. Loan given to Nouveau Global Ventures Limited and Loan taken from Mukta Agricultures Limited as required under Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 in advance in accordance with the provisions of Companies Act, 2013 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 if any are captured and recorded as part of the minutes.

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

**I further report that** during the audit period the company had no specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Place: Mumbai**  
**Date: 29.05.2019**

**SHIV HARI JALAN**  
**COMPANY SECRETARY**  
**FCS No: 5703**  
**C.P.NO: 4226**

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



**'Annexure A'**

To,  
The Members,  
**Mystic Electronics Limited**  
401/A, Pearl Arcade, Opp. P. K. Jewellers,  
Dawood Baug Lane, Off J. P. Road,  
Andheri (West), Mumbai-400058.

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provision of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

**Place: Mumbai**  
**Date:29.05.2019**

**SHIV HARI JALAN**  
**COMPANY SECRETARY**  
**FCS No: 5703**  
**C.P.NO: 4226**

## ANNEXURE II

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended 31st March, 2019**

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

**I. REGISTRATION AND OTHER DETAILS:**

i)	<b>CIN:-</b>	L72300MH2011PLC221448
ii)	<b>Registration Date</b>	August 30,2011
iii)	<b>Name of the Company</b>	Mystic Electronics Limited
iv)	<b>Category / Sub-Category of the Company</b>	Company Limited by shares Indian Non- Government Company
v)	<b>Address of the Registered office and contact details</b>	401/A, Pearl Arcade, Opp. P.K. Jewellers, Dawood Baug Lane, Off. J.P. Road, Andheri (W), Mumbai- 400058, Tel: 022-26778155 Website: <a href="http://www.mystic-electronics.com">www.mystic-electronics.com</a>
vi)	<b>Whether listed company Yes / No</b>	Yes listed with BSE Limited
vii)	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai- 400059 Tel: 022- 62638200; Fax : 022- 62638299 Email id.: <a href="mailto:info@bigshareonline.com">info@bigshareonline.com</a>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sl. No.	Name and Description of main products /services	% to the turnover of the Company
NIL		

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL****IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
Individuals/ HUF	1148064	-	1148064	5.81	1148064	-	1148064	5.81	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Bodies Corp	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other (Group Co.)	1935741	-	1935741	9.79	1935741	-	1935741	9.79	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>SubTotal (A)(1)</b>	<b>3083805</b>	<b>-</b>	<b>3083805</b>	<b>15.60</b>	<b>3083805</b>	<b>-</b>	<b>3083805</b>	<b>15.60</b>	<b>-</b>
<b>(2) Foreign</b>									
NRIs- Individuals	-	-	-	-	-	-	-	-	-
Other – Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
<b>SubTotal(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>3083805</b>	<b>0</b>	<b>3083805</b>	<b>15.60</b>	<b>3083805</b>	<b>0</b>	<b>3083805</b>	<b>15.60</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
<b>SubTotal(B)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	4905567	4709	4910276	24.84	4500520	4709	4505229	22.79	(2.05)
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	330673	82042	412715	2.09	462915	84465	547380	2.77	0.68
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	4977657	6375238	11352895	57.44	5134898	6375238	11510136	58.23	0.80
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) Others (Specify)	-	-	-	-	-	-	-	-	-
i) Trusts	-	-	-	-	-	-	-	-	-
ii) Clearing Member	3568	-	3568	0.02	116709	-	116709	0.59	0.57
iii) Directors Relatives	-	-	-	-	-	-	-	-	-
iv) Employee	-	-	-	-	-	-	-	-	-
v) NRI	320	169	489	-	320	169	489	-	-
vi) Overseas Bodies Corporate	-	-	-	-	-	-	-	-	-
vii) Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
e) Corporate Body NBFC	2500	-	2500	0.01	2500	-	2500	0.01	-
<b>SubTotal(B)(2)</b>	<b>10220285</b>	<b>6462158</b>	<b>16682443</b>	<b>84.40</b>	<b>10220362</b>	<b>6464581</b>	<b>16684943</b>	<b>84.40</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>10220285</b>	<b>6462158</b>	<b>16682443</b>	<b>84.40</b>	<b>10220362</b>	<b>6464581</b>	<b>16684943</b>	<b>84.40</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>13304090</b>	<b>6462158</b>	<b>19766248</b>	<b>100.00</b>	<b>13301667</b>	<b>6464581</b>	<b>19766248</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Navyug Telefilms Private Limited	759906	3.84	-	759906	3.84	-	0.00
2.	Krishan Khadaria	726070	3.67	-	726070	3.67	-	0.00
3.	Golden Medows Export Pvt. Ltd.	511110	2.59	-	511110	2.59	-	0.00
4.	Asha Khadaria	413761	2.09	-	413761	2.09	-	0.00
5.	Attribute Shares & Securities Pvt. Ltd.	372913	1.89	-	372913	1.89	-	0.00
6.	Mumbadevi Finance Investment and Company Pvt. Ltd.	215802	1.09	-	215802	1.09	-	0.00
7.	Forever Flourishing Finance & Investment Pvt. Ltd.	43815	0.22	-	43815	0.22	-	0.00
8.	Kashish Multi Trade Pvt. Ltd.	32195	0.16	-	32195	0.16	-	0.00
9.	Mohit Khadaria	3975	0.02	-	3975	0.02	-	0.00
10.	Sushila Devi Raghunath Prasad Khadaria	2839	0.01	-	2839	0.01	-	0.00
11.	Mohini Krishan Khadaria	1419	0.01	-	1419	0.01	-	0.00
		<b>30838050</b>	<b>15.60</b>	<b>-</b>	<b>3083805</b>	<b>15.60</b>	<b>-</b>	<b>0.00</b>

## (iii) Change in Promoters' Shareholding ( please specify, if there is no change)

Note: During the year under review, no change has occurred in the Promoters shareholding.

Sl. No.	Name of the promoter	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
1.	Navyug Telefilms Private Limited	759906	3.84	759906	3.84
2.	Krishan Khadaria	726070	3.67	726070	3.67
3.	Golden Medows Export Private Limited	511110	2.59	511110	2.59
4.	Asha Khadaria	413761	2.09	413761	2.09
5.	Attribute Shares and Securities Pvt. Ltd	372913	1.89	372913	1.89
6.	Mumbadevi Finance Investment Company Pvt. Ltd.	215802	1.09	215802	0.98
7.	Forever Flourishing Finance & Investment Pvt. Ltd	43815	0.22	43815	0.22
8.	Kashish Multi Trade Private Limited	32195	0.16	32195	0.16
9.	Mohit Khadaria	3975	0.02	3975	0.02
10.	Sushila Devi Raghunath Prasad Khadaria	2839	0.01	2839	0.01
11.	Mohini Krishan Khadaria	1419	0.01	1419	0.01

(iv) Shareholding Pattern of Top Ten-Shareholders (Other than Directors, Promoters and Holders Of GDRS And ADRS):

Sr. No.	Name	No. of Shares at the beginning of the year	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	Cumulative No. of Shares at the end of the year	% of total shares of the Company
1	Sanjay Singal - HUF	10,00,000	5.06	31.03.2018	0	No Change	10,00,000	5.06
				31.03.2019	0	CLOSING	10,00,000	5.06
2	Sanjay Singal	10,00,000	5.06	31.03.2018	0	No Change	10,00,000	5.06
				31.03.2019	0	CLOSING	10,00,000	5.06
3	Aarti Singal	10,00,000	5.06	31.03.2018	0	No Change	10,00,000	5.06
				31.03.2019	0	CLOSING	10,00,000	5.06
4	Octopus Infotel Private Ltd.	4,92,195	2.49	31.03.2018	0	No Change	492,195	2.49
				31.03.2019	0	CLOSING	492,195	2.49
5	Bagri Consultancy And Services Private Limited	4,71,677	2.39	31.03.2018	0	No Change	471,677	2.39
				31.03.2019	0	CLOSING	471,677	2.39
6	Praveen Kumar Agarwal	283,950	1.44	31.03.2018	0	No Change	283,950	1.44
				31.03.2019	0	CLOSING	283,950	1.44
7	Rajkumar Gulab Badgujar	2,50,000	1.26	31.03.2018	0	No Change	2,50,000	1.26
				31.03.2019	0	CLOSING	2,50,000	1.26
8	Shree Narayan Agarwal	2,50,000	1.26	31.03.2018	0	No Change	2,50,000	1.26
				31.03.2019	0	CLOSING	2,50,000	1.26
9	Pradeep Kumar	2,50,000	1.26	31.03.2018	0	No Change	2,50,000	1.26
				31.03.2019	0	CLOSING	2,50,000	1.26
10	Manish Uppal	2,50,000	1.26	31.03.2018	0	No Change	2,50,000	1.26
				31.03.2019	0	CLOSING	2,50,000	1.26
11	Bushan Kumar Uppal	2,50,000	1.26	31.03.2018	0	No Change	2,50,000	1.26
				31.03.2019	0	CLOSING	2,50,000	1.26

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Directors and KMP	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
1.	Mr. Krishan Khadaria, Promoter Director				
	At the beginning of the year	7,26,070	3.67		
	increase/ decrease in shareholding during the year	-	-		
	At the end of the year			7,26,070	3.67
2.	#Mr. Tarun Keram, Independent Director				
	At the beginning of the year	-	-		
	increase/ decrease in shareholding during the year	-	-		
	At the end of the year			-	-
3.	Mr. Manoj Bhatia, Independent Director				
	At the beginning of the year	-	-		
	increase/ decrease in shareholding during the year	-	-		
	At the end of the year			-	-

Sl. No.	Name of Directors and KMP	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
4.	Mrs. Asha Khadaria, Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	4,13,761 -	2.09 -	- 4,13,761	- 2.09
5.	Mr. Mohit Khadaria, Managing Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	3975 -	0.02 -	- 3975	- 0.02
6.	Mr. Rajesh Agarwal, Chief Financial Officer At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	255 -	0.00 -	- 255	- 0.00
7.	Miss Manisha Swami, Company Secretary At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	- -	- -	- -	- -
8.	*Ms. Niraali Santosh Thingalaya, Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	- -	- -	- -	- -

*#Mr. Tarun Keram ceased to be the director of the Company w.e.f. 30.08.2019*

*\*Ms. Niraali Santosh Thingalaya was appointed as an Independent Director of the Company by the members of the Company at their 7th Annual General meeting held on 29.09.2018 for the term of 5 Consecutive Years.*

#### V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial Year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
+ Addition	-	385.57	-	385.57
- Reduction	-	(11.26)	-	(11.26)
<b>Net Change</b>	-	<b>374.31</b>	-	<b>374.31</b>

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	374.31	-	374.31
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>374.31</b>	-	<b>374.31</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director, ~~Whole-time Directors and/or Manager:~~**

Your Company does not pay any remuneration to Mr. Mohit Khadaria, Managing Director of the Company.

**B. Remuneration to Other Directors:**

1. Independent Directors: NIL
2. Other Non-Executive Directors: NIL

**C. Remuneration To Key Managerial Personnel Other Than MD/Manager/ WTD**

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary			
	(a) Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961	5.63	7.80	13.43
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	2.40	2.40
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit			
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>5.63</b>	<b>10.20</b>	<b>15.83</b>

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

By and on behalf of the Board  
For Mystic Electronics Limited

Krishan Khadaria  
Director  
DIN: 00219096

Mohit Khadaria  
Managing Director  
DIN: 05142395

Registered Office:  
401/A, Pearl Arcade, Opp. P. K. Jewellers,  
Dawood Baug Lane, Off J. P. Road,  
Andheri (West), Mumbai – 400 058

Place: Mumbai  
Dated: 30th August, 2019



## CORPORATE GOVERNANCE REPORT

Corporate Governance is a set of defined principles, processes and systems which govern a Company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. The Company believes that business excellence is the reflection of the professionalism and ethical values of its management and employees. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its Stakeholders. The Company ensures to comply with the requirements of Corporate Governance listed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations').

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Mystic Electronics Limited, we believe and continuously endeavor to achieve good governance through timely disclosures, transparency, accountability and responsibility in all our dealings with the employees, shareholders, clients and community at large. The Board of Directors represents the interest of the Company's Stakeholders and continuously strives for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance with the Code of Conduct adopted by the Company.

#### **1. BOARD OF DIRECTORS**

##### **1.1 *Size and Composition of the Board***

As on 31st March, 2019, the Board of Directors consists of 6 (six) Directors, of which 3 (three) are Independent Directors including a Woman Director, 2 (two) are Non-Executive and Non-Independent (including Women Director) and 1 (One) Executive Director. The Company does not have permanent Chairman on the Board of the Company, Board appoints Chairman in every Board Meeting. The composition of the Board is in compliance with the provisions of the Companies Act, 2013 (the 'Act') and Regulation 17 of the Listing Regulations.

Further, all the Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

The names and category of the Directors, their outside Directorships, their other Membership and Chairmanship of Board Committees as on 31st March, 2019 are mentioned hereunder.

Name of Director	Designation	Category	No of Directorship in other Companies*	Position in outside Committees**		No. of Shares held in the Company
				Member	Chairman	
Mr. Krishan Khadaria	Director	Non-executive and Promoter	16	5	-	7,26,070
Mr. Mohit Khadaria	Managing Director	Executive-Promoter	14	-	-	3,975
Mr. Manoj Bhatia	Independent Director	Non-Executive	5	1	5	-
Mr. Tarun Keram	Independent Director	Non-Executive	5	2	-	-
Mrs. Asha Khadaria	Director	Non-Executive	4	1	-	4,13,761
Mrs. Niraali Santosh Thingalaya	Independent Director	Non-Executive	2	-	-	-

**NOTE:1) \*Including Private Companies, but excluding Foreign Companies and Section 8 Companies**  
**2)\*\*Chairmanships/Memberships Committee only include Audit Committee and Stakeholders Relationship Committee.**

**Names of the Listed Entities where the Director(s) of the Company i.e. Mystic Electronics Limited is a Director and the category of Directorship:**

S. No.	Name of Director	Name of the Listed Entity	Designation	Category
1.	Mr. Krishan Khadaria	Nouveau Global Ventures Limited	Managing Director	Executive Director
		Mukta Agriculture Limited	Director	Non-Executive-Promoter
2.	Mr. Mohit Khadaria	Mukta Agriculture Limited	Managing Director	Executive Director-Promoter
3.	Mr. Manoj Bhatia	Nouveau Global Ventures Limited	Director	Independent-Non Executive Director
		Mukta Agriculture Limited	Director	Independent-Non Executive Director
4.	Mr. Tarun Keram	NIL	NIL	NIL
5.	Mrs. Asha Khadaria	Nouveau Global Ventures Limited	Director	Non-Executive Director
		Mukta Agriculture Limited	Director	Non-Executive Director
6.	Mrs. Niraali Santosh Thingalaya	Nouveau Global Ventures Limited	Director	Independent-Non Executive Director
		Mukta Agriculture Limited	Director	Independent-Non Executive Director

There are no inter-se relationships between the Board members except between Mr. Krishan Khadaria, Mrs. Asha Khadaria & Mr. Mohit Khadaria. In the opinion of the Board, the Independent Directors fulfill the conditions as specified in Listing Regulations and are independent of the management.

Necessary resolution seeking approval of members of the Company for re-appointment of Mrs. Asha Khadaria as Director who retire by rotation and Mr. Manoj Bhatia as Independent Director of the Company forms an integral part of the Notice convening 8th Annual General Meeting (AGM) of the Company. Attention of the members is invited to the relevant item of the Notice of the AGM seeking their approval for re-appointment of Directors. Relevant information as required under the Listing Regulations is appended in the AGM Notice.

**1.2 As stipulated under Schedule V of Listing Regulation list of core skills/expertise/competencies as identified by the Board of Directors of the Company as required in the context of Company's business and sector for it to function effectively and those actually available with the Board is given below.**

S. No.	Skills/expertise/competence
1.	Corporate Governance and Ethics
2.	Regulatory, Government and Security matters
3.	Finance and Taxation
4.	Law
5.	Management and Strategy
6.	Information Technology
7.	Risk Management
8.	Talent Management
9.	Understanding of relevant laws, rules, regulation and policy

**1.3 Board Meeting held during the financial year ended 31st March, 2019**

During the year, the Board met 7 (Seven) times on 12th April, 2018, 30th May, 2018, 14th August, 2018, 24th August, 2018, 14th November, 2018, 14th February, 2019 & 29th March, 2019. The maximum gap between any two Board Meetings was less than one hundred and twenty days. The interval between two Board meetings was well within the maximum period mentioned under Section 173 of the Act and the Listing Regulation. The necessary quorum was present for all the meetings.

Name of Director	No. of Board Meetings		Attendance at last AGM held on 29th September, 2018
	Held	Attended	
Mr. Krishan Khadaria	7	7	Yes
Mr. Mohit Khadaria	7	7	Yes
Mr. Manoj Bhatia	7	7	Yes
Mr. Tarun Keram	7	7	Yes
Mrs. Asha Khadaria	7	7	Yes
Mrs. Niraali Santosh Thingalaya	7	5*	Yes

**Note:** The Board of Directors of the Company at their meeting held on 30th May, 2018 had appointed Mrs. Niraali Santosh Thingalaya as an Additional Director in Independent Category and later on the members of the Company at 7th Annual General Meeting held on 29th September, 2018 has appointed her as an Independent Director for the term of five consecutive years.

#### 1.4 Familiarization Programme

In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company periodically organize a program in order to familiarise Independent Directors with the Company's operations. The details of familiarisation programme have been posted on the website of the Company under the web link: <http://www.mystic-electronics.com/investors.html>.

#### 1.5 Independent Directors' Separate Meeting

Pursuant to Schedule IV of the Act read with Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Independent Directors met on 20th December, 2018 without attendance of Non- Independent Directors and Members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole. The Board of Directors also discussed on the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably performs their duties.

#### 1.6 Code of Conduct

The Board has laid down the code of conduct for all the Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at [http://www.mystic-electronics.com/pdfs/code\\_bm.pdf](http://www.mystic-electronics.com/pdfs/code_bm.pdf). All Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the financial year ended 31st March, 2019 and a declaration to this effect duly signed by Managing Director of the Company is appended to this report.

#### 1.7 Review of Compliance Report by the Board

The Company has in place a proper system to enable the Board to review on a quarterly basis the Compliance Report pertaining to all applicable laws to the Company and also to assess the steps taken by the Company to rectify instances of non-compliances, if any.

#### 1.8 Prevention of Insider Trading

As per the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has devised the Code of Conduct to regulate, monitor and report trading by the insiders or designated persons in Securities of the Company. During the year, there has been due compliance with the Code by the Company and all Insiders.

**2. AUDIT COMMITTEE**

The Audit Committee acts as the link between the management, the Statutory and Internal Auditors and the Board of Directors of the Company

***Composition & Attendance of the Committee:***

As on 31st March, 2019, the Audit Committee comprises of 3 (Three) members. All members of the Audit Committee are Non-Executive Directors, out of whom 2 (two) are Independent Directors. The composition of the Audit Committee is in compliance with the Regulation 18 of Listing Regulations and the provisions of Section 177 of the Act and rules made thereunder. During the year under review, the audit committee met 5 times viz. 30th May, 2018, 14th August, 2018, 14th November, 2018, 14th February, 2019 & 29th March, 2019. The maximum gap between any two Committee Meetings was less than one hundred and twenty days.

The details of composition of the Audit Committee and attendance at the meeting during the financial year are as under.

Name	Category	Position	No. of Meetings	
			Attended	Held
Mr. Manoj Bhatia	Non-Executive Independent Director	Chairman	5	5
Mr. Tarun Keram	Non-Executive Independent Director	Member	5	5
Mr. Krishan Khadaria	Non-executive Director	Member	5	5

The Chairman of the Audit Committee has attended the last AGM of the Company held on 29th September, 2018. Audit Committee meetings are also attended by CFO, representatives of the Statutory Auditors, Internal Auditors and other executives as required.

The Committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

The powers, role and terms of reference of the Audit Committee includes the matters as specified under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, besides other terms as referred by the Board. The broad terms of reference includes; oversight of financial reporting process, review of financial results and related information, approval of related party transactions, review of internal financial controls, risk management, performance of statutory and internal auditors, audit process, relevant compliances, appointment and payment to auditors etc.

**3. NOMINATION & REMUNERATION COMMITTEE**

Pursuant to Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 178 of the Companies Act, 2013 the Company has constituted a Nomination and Remuneration Committee.

***Composition & Attendance of the Committee***

As on 31st March, 2019, Nomination and Remuneration Committee comprises of 3 (three) Non-Executive Directors, out of whom 2 (two) Directors are Independent Directors. During the year, the Committee met 3 times viz. 4th April, 2018, 20th May, 2018 & 30th March, 2019.

The composition of the Nomination and Remuneration Committee is in compliance with the Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the provisions of Section 178 of the Act and rules made thereunder. The details of composition of the Nomination and Remuneration Committee and the attendance at the meeting during the financial year are as under:

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. Tarun Keram	Non-Executive Independent Director	Chairman	3	3
Mr. Krishan Khadaria	Non-executive Director	Member	3	3
Mr. Manoj Bhatia	Non-Executive Independent Director	Member	3	3

The powers, role and terms of reference of the Nomination and Remuneration Committee includes the matters as specified under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, besides other terms as referred by the Board. The broad terms of reference includes formulation of remuneration policy, set criteria for determining qualifications, positive attributes and independence of a director, formulation of criteria for evaluation of performance of independent directors & the Board and criteria for appointment of directors and senior management.

#### **Performance Evaluation**

The Company policy provides for the manner and mode to evaluate performance of the Board, Committees, Independent Directors and Non-Independent Directors. The criteria for the performance evaluation of the Directors includes (a) Attendance of each Director (b) Preparedness of each Director (c) Participation in meaningful discussion (d) Conduct and behaviour of each Director (e) Effectiveness of the decision taken based on deliberations etc. The evaluation process includes review, discussion and feedback from the directors in reference to set criteria and questions. Evaluation of Performance of the Board, its Committees, every Independent Director and Non-Independent Directors for the Financial Year 2018-19 has been carried out following the manner and process as per the policy in this respect. The Directors are satisfied with the performance and evaluation.

#### **4. REMUNERATION OF DIRECTORS**

There is no pecuniary relationship or transaction between the Company and any of the Non-Executive Directors of the Company except the payment of rent to Mr. Krishan Khadaria for using the premises as registered office of the Company.

None of the directors including independent director(s) of the Company had received remuneration including sitting fees during the year under review. The Company does not have any stock option scheme. None of our Directors are eligible for any severance fees.

In accordance with the relevant provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Remuneration Policy have been adopted by the board of the Company and which have been disclosed available on the Company's website <http://www.mystic-electronics.com/investors.html>.

#### **5. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee oversees, inter alia, timely redressal of shareholders' grievances such as issues involving transfer and transmission of shares, issue of duplicate certificates, recording dematerialization / re-materialization, non-receipt of dividend, annual report etc. The Committee also reviews the systems and procedure followed to resolve investor complaints and suggests several measures for improvement as may be necessary.

The Committee comprises of 3 (three) directors out of which Chairman is Mr. Manoj Bhatia-Non-Executive Independent Director. The Committee met 4 (four) times during the financial year viz. 25th May, 2018, 24th August, 2018, 14th November, 2018 & 29th March, 2019.

The details of composition of the Committee and the attendance at meeting are as under.

Name	Category	Position	No. of Meetings	
			Held	Attended
Mr. Manoj Bhatia	Non-Executive Independent Director	Chairman	4	4
Mr. Krishan Khadaria	Non-executive Director	Member	4	4
Mr. Tarun Keram	Non-Executive Independent Director	Member	4	4

**Compliance Officer**

Miss Manisha Swami, Company Secretary is designated as Compliance Officer of the Company. The designated e-mail ID for investor service and correspondence is [electronics.mystic@gmail.com](mailto:electronics.mystic@gmail.com).

**Complaints/Queries received from Shareholders**

During the year, the Company has received 1 (one) complaint, which has been timely resolved to the satisfaction of the Complainant and there was no investor complaint pending as on 31st March, 2019. The status of complaints, if any, is periodically reported to the Committee.

**6. GENERAL BODY MEETINGS****6.1 The details of the last three Annual General Meetings are given below:**

AGM	Financial Year	Date	Time	Location
7th AGM	2017-18	29.09.2018	11:30 am	Confrence Room, Axis Bank, Springfield's, Lokhandwala Complex, Andheri (W), Mumbai-400053
6th AGM	2016-17	26.09.2017	11:00 am	Vyanjan Banquet Hall, 43, Oshiwara Link Plaza, Next to Oshiwara Police Station, Link Road, Andheri (West), Mumbai- 400102
5th AGM	2015-16	19.09.2016	11:30 am	Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall, Oshiwara, Mumbai, Andheri(W), Mumbai -400058

**6.2 Special Resolution:**

There were no special resolutions passed at last 3 Annual General Meetings of the Company.

**6.3 Details of Resolution passed through Postal Ballot:**

The Company has not passed any Special Resolution through Postal ballot last year and there is no resolution proposed to be passed by postal ballot at this ensuing Annual General Meeting.

**7. MEANS OF COMMUNICATION**

Quarterly/ Annual Results	The results of the Company are published in the newspapers and intimated to the Stock Exchanges as required under the Listing Regulations and also uploaded on the website of the Company.
Newspapers in which results are generally published	The Active Times and The Global Times, regional daily newspapers.
Website, where displayed	<a href="http://www.mystic-electronics.com">www.mystic-electronics.com</a>
Official news releases	All the official news releases are displayed on the above mentioned website of the Company.
Presentation made to institutional investors or to the analysts	During the year, no presentations were made to institutional investors or to the analysts.

**8. OTHER DISCLOSURES****8.1 Related Party Transactions**

In terms with the provision of Regulation 23 of Listing Regulations, during the year under review, there were materially significant transactions with the related parties, which has been approved by the Board and the Audit Committee of the Company however, the same has been placed before the member in this 8th AGM for their approval & ratification of the transactions which forms part of the Notice of the 8th AGM.



Further the details of the transactions has been disclosed in the notes to financial statements. The Company has formulated policy for determining Material Subsidiaries and Policy on dealing with Related Party Transactions. The said policies are hosted on the Company's website <http://www.mystic-electronics.com/investers.html>.

**8.2** During the last 3 years, the Company has paid the penalty of Rs. 3,42,912/- for delayed submission of financial results under regulation 33 SEBI (Listing Obligation & Disclosures Requirements) Regulation, 2015. Apart from this the Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets and thus there were no further penalties imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

**8.3** The Company does not have any subsidiary Company. The Company has a Policy for determining "Material Subsidiary" which is disclosed on the Company's website <http://www.mystic-electronics.com/pdfs/MaterialSubsidiaryPolicy.pdf>.

**8.4 Vigil Mechanism/ Whistle Blower Policy**

The Company has a Whistle Blower Policy for establishing a vigil mechanism to report genuine concerns regarding unethical behavior and mismanagement, if any. No employee of the Company was denied access to the Audit Committee. Details relating to vigil mechanism are also mentioned in the Board's Report. The Whistle Blower Policy is available on the website of the Company at <http://www.mystic-electronics.com/investors.html>.

**8.5 Compliance with mandatory and non-mandatory requirements**

The Company has complied with all the applicable mandatory requirements under various Regulations of the SEBI (Listing Obligation & Disclosures Requirements) Regulation, 2015. The Company has obtained a Certificate from Statutory auditor of the Company to this effect and the same is annexed in this report as well.

The Company has complied non-mandatory requirements of Listing Regulations as follows:

- (i) The Board: the Company doesn't bear any expenses of the Non-Executive Chairman's Office.
- (ii) Shareholders Rights: The quarterly, half-yearly and annual financial results are published in newspapers, uploaded on Company's website;
- (iii) Modified Opinion(s) in Audit Report: The Auditor's opinion on the Financial Statements is unmodified;
- (iv) The Separate posts of Chairperson and CEO: The Company does not have permanent Chairman on the Board;
- (v) Reporting of Internal Auditor: The Internal Auditor of the Company reports directly to the Audit Committee

**8.6** Commodity price risk or foreign exchange risk and hedging activities: The nature of business of the Company does not involve any such risks/hedging activities.

**8.7 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of LODR Regulations.:**

This Regulation is not applicable to the Company as the Company has not raised any funds through preferential allotment or qualified institutions placement.

**8.8 Certificate under Regulation 34(3) of the Listing Regulations:**

The Company has obtained a Certificate pursuant to Regulation 34(3) read with Schedule V of Listing Regulations from Mr. Piyushkumar Parmar, Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority. The said certificate has been annexed with this Report.



- 8.9** Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable
- 8.10** Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Details relating to fees paid to the statutory auditors are given in Notes to the Financial Statements.
- 8.11** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- b. number of complaints filed during the financial year 2018-19: Nil
  - c. number of complaints disposed of during the financial year 2018-19: N.A.
  - d. number of complaints pending as on end of the financial year 2018-19: N.A.

## **9. COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS**

The Company has complied with the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of Sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## **10. AUDITOR'S CERTIFICATION ON CORPORATE GOVERNANCE**

The Company has obtained a Certificate from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, which is attached with this Report.

## **11. GENERAL SHAREHOLDER INFORMATION**

- a. Annual General Meeting & Book Closure:**  
Monday, 30th September, 2019 at 10:00 am at Aabhar Studio- 606, Aston Building, Sundervan Complex, Above Mercedes Showroom, Near Lokhandwala Circle, Andheri (West), Mumbai- 400053  
Book Closure period: 23rd September, 2019 to 30th September, 2019
- b. Financial Year: 1st April to 31st March**
- c. Dividend payment date:** Not Applicable.
- d. Listing on Stock Exchanges:** The Company's Shares are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400023.  
Stock Code: 535205  
ISIN Number: INE159O01033
- e. Payment of Annual Listing Fees:** The Company has paid annual listing fee for the financial year 2019-20 to the BSE within the stipulated time.
- f. Financial Results:**
  - First Quarter Results : by August 14
  - Half Year Results : by November 14
  - Third Quarter Results : by February 14
  - Annual Results : by May 30
- g. Registrar and Share Transfer Agent:**  
BIGSHARE SERVICES PRIVATE LIMITED  
1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road  
Marol, Andheri East, Mumbai-400059  
Email id.: [info@bigshareonline.com](mailto:info@bigshareonline.com)

- h. Outstanding GDR/ADR/Warrants Or any Convertible Instruments, Conversion Dates and likely impact on equity:** Not Applicable
- i. The Equity Shares of the Company are not suspended from trading on Stock exchange so the disclosure in this regards is not required.**
- j. Share Transfer System:**

With a view to provide a prompt and efficient service to the investors the Company has entered into an agreement with Bigshare Services Pvt. Limited, Registrar & Transfer Agents registered with SEBI.

To supplement to the prompt services given by the Registrar & Transfer Agent the Stakeholders Relationship Committee meets as and when there are transfers/transmission of shares for the approvals of periodical transfers, issue of share certificates, splitting of shares etc. Share transfers are registered and returned within 15 days from the date of lodgement if documents are complete in all respects. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective Depositories i.e. NSDL and CDSL within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities(except in case of transmission or transposition of securities) shall not be processed from 1stApril, 2019 unless the securities are held in the dematerialised form with the depositories. In view of the same, members are advised to dematerialize shares held by them in physical form.

The Company has obtained half-yearly certificate from Practicing Company Secretary to the effect that all certificates have been issued within thirty days of the date of lodgement of the transfer, sub-division, consolidation and renewal etc if any, as required under Regulation 40(9) of the Listing Regulations and the same were submitted to the Stock Exchanges.

A Chartered Accountant in Practice carried out an Audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited and the total issued& listed capital. The Audit confirms that the total issued / listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form. The Reconciliation of Share Capital Audit Report issued by the Chartered Accountant in Practice in this regard is submitted to the Stock Exchanges on a quarterly basis.

**k. Stock Market Price On BSE:**

The High/Low of the market price of the Company's equity shares traded on the BSE Limited during the financial year ended 31st March, 2019 are as follows:

Month	High	Low	Close
April, 2018	47.80	44.65	45.00
May, 2018	45.90	45.90	45.90
June, 2018	43.65	43.65	43.65
July, 2018	51.50	41.50	49.45
August, 2018	55.00	47.00	52.30
September, 2018	57.00	38.50	39.90
October, 2018	37.95	26.60	26.60

Month	High	Low	Close
November, 2018	26.60	23.25	23.25
December, 2018	22.80	16.00	17.50
January, 2019	17.80	10.85	10.85
February, 2019	10.85	5.16	5.16
March, 2019	4.91	3.77	3.77

**I. Shareholding Pattern As On 31st March, 2019**

	CATEGORY	Nos. of Equity Shares	Total %
<b>A</b>	<b>Promoters Holding</b>		
1	Indian Promoters	3083805	15.60
2	Foreign Promoters	0	0.00
	<b>SUB TOTAL (A)</b>	<b>3083805</b>	<b>15.60</b>
<b>B.</b>	<b>Public Shareholding</b>		
1.	Institutional Investors	0	0.00
2.	Non-Institutional Investors		
	Individuals:		
	Having Nominal Share Capital up to Rs. 2 Lakh	779729	3.94
	Having Nominal Share Capital in excess of Rs. 2 Lakh.	11277787	57.06
	NBFCs registered with RBI	2500	0.013
	Bodies Corporate	4505229	22.79
	Clearing Member	116709	0.59
	Non Resident Indians	489	0.0025
	<b>SUB TOTAL (B)</b>	<b>16682443</b>	<b>84.40</b>
	<b>TOTAL (A+B)</b>	<b>19766248</b>	<b>100.00</b>

**m. DEMATERIALISATION OF SHARES AND LIQUIDITY:**

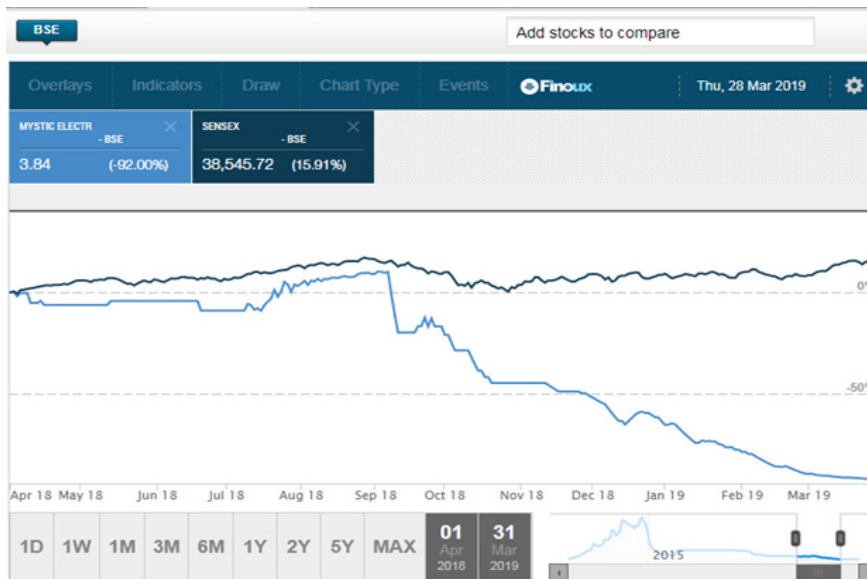
Total 67.29% shares were held in dematerialized form as on 31st March, 2019. The shares of the Company are freely tradable on the stock exchange i.e. BSE Limited.

Particulars of Shares	No. of Shares	% of Total
Held in dematerialized form in CDSL	8696317	43.99
Held in dematerialized form in NSDL	4605350	23.30
Physical	6464581	32.71
<b>Total</b>	<b>19766248</b>	<b>100.00</b>

**n. Distribution Schedule Of Shareholding as On 31st March, 2019**

Range (In Rs.)	Total Shareholders	% of Total Shareholders	Total Holding in Rupees	% of Total Capital
1 to 5000	1184	68.7209	1023350	0.5177
5001 - 10000	89	5.174	673950	0.3410
10001 - 20000	82	4.767	1222800	0.6186
20001 - 30000	47	2.7326	1224370	0.6194
30001 - 40000	29	1.6860	1053190	0.5328
40001 - 50000	22	1.2791	1046110	0.5292
50001 - 100000	60	3.4884	4490700	2.2719
100001 and above	209	12.1512	186928010	94.5693
<b>TOTAL</b>	<b>1720</b>	<b>100</b>	<b>197662480</b>	<b>100.00</b>

## o. Performance in comparison to broad-based indices



p. **Plant Location:** The Company does not have any manufacturing facility.

q. **Disclosure with respect to demat suspense account/ unclaimed suspense account:**

No equity shares are lying in the suspense account. Hence, no further disclosure / details to mention in this regard.

r. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: Not Applicable

s. **Address for investors correspondence**

**Registered Office:** 401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane, Off J. P. Road, Andheri (West), Mumbai – 400 058

Tel. No.: 022-26778155

Email id.: [electronics.mystic@gmail.com](mailto:electronics.mystic@gmail.com)

**Registrar & Transfer Agents:** Bigshare Services Pvt Ltd, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai 400059

Email id.: [info@bigshareonline.com](mailto:info@bigshareonline.com)

**By and on behalf of the Board  
For Mystic Electronics Limited**

**Krishan Khadaria**  
Director  
DIN: 00219096

**Mohit Khadaria**  
Managing Director  
DIN: 05142395

Place: Mumbai

Dated: 30th August, 2019

**DECLARATION ON ADHERENCE TO THE CODE OF CONDUCT**

In accordance with by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, I hereby confirm and declare that, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Director and senior Management personnel of the Company laid down for them for the financial year ended 31st March, 2019.

**By and on behalf of the Board  
For Mystic Electronics Limited**

**Mohit Khadaria  
Managing Director  
DIN: 05142395**

**Place: Mumbai  
Dated: 30th August, 2019**

**CEO/MANAGING DIRECTOR AND CFO CERTIFICATION**

To,  
The Board of Directors,  
Mystic Electronics Limited

**Subject: Managing Director and CFO Certification under Regulation 17(8) of SEBI (LODR) Regulation 2015 financial year ended 31st March, 2019**

We, **Mr. Mohit Khadaria, Managing Director** and **Mr. Rajesh Agrawal, Chief Financial Officer** of Mystic Electronics Limited, to the best of our knowledge and belief, hereby certify that:

1. We have reviewed the audited financial statements, results and the cash flow statement for the financial year ended March 31, 2019 and that to the best of our knowledge and belief;
  - 1.1 These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading, and
  - 1.2 These statements together present a true and fair view of the company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or which violate the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control system of the company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or the operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify the identified deficiencies and;
4. We have indicated to the auditors and the Audit Committee that:
  - 4.1 there has been no significant change in internal control over financial reporting during the year;
  - 4.2 there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - 4.3 there were no instance of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**MOHIT KHADARIA**  
**MANAGING DIRECTOR**  
**DIN: 05142395**

**RAJESH AGRAWAL**  
**CHIEF FINANCIAL OFFICER**

**Date: 29th May, 2019**

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members,  
**Mystic Electronics Limited**

We have examined the compliance conditions of corporate governance by **Mystic Electronics Limited** ('the Company') for the year ended 31st March 2019, as specified in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ('the Listing Regulations').

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given by the Company and the representations made by the Directors and the Management, we certify that subject to the observations mentioned in the Secretarial Audit Report the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the period ended 31st March, 2019.

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 BANSAL BANSAL & CO.**  
**Chartered Accountants**  
**FRN: 100986W**

**JATIN BANSAL**  
**Partner**  
**M. No.:135399**

**Place : Mumbai**  
**Date : 30th August, 2019**



**CERTIFICATE UNDER REGULATION 34(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Members of  
**Mystic Electronics Limited**  
**401/A, Pearl Arcade, Opp. P.K. Jewellers,**  
**Dawood Baug Lane, Off. J.P. Road, Andheri (w), Mumbai-400058.**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mystic Electronics Limited having CIN L72300MH2011PLC221448 and having registered office at 401/A, Pearl Arcade, Opp. P.K. Jewellers, Dawood Baug Lane, Off. J.P. Road, Andheri (w), Mumbai- 400058 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Mumbai or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Krishan Raghunath Prasad Khadaria	00219096	30/08/2011
2	Asha Krishan Khadaria	00219112	14/12/2017
3	Manoj Ganeshdas Bhatia	01953191	30/08/2011
4	Tarun Keram	02540707	25/12/2013
5	Mohit Krishan Khadaria	05142395	14/12/2017
6	Niraali Santosh Thingalaya	08125213	30/05/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date :30th August, 2019

Signature:  
Name: PIYUSHKUMAR PARMAR  
Membership No.: F10303.  
CP No.:11678

**Independent Auditor’s Report**

**TO THE MEMBERS OF MYSTIC ELECTRONICS LIMITED**

**REPORT ON THE IND AS FINANCIAL STATEMENTS**

**OPINION**

We have audited the accompanying Ind AS financial statements of **MYSTIC ELECTRONICS LIMITED**. (“the Company”), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (‘Ind AS’) specified under section 133 of the Act , of the state of affairs(financial position) of the Company as at 31st March 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**BASIS OF OPINION**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

<b>Key audit matter</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Valuation of unquoted financial assets held at fair value</b> The company has various non-current investments in equity instruments of both quoted and unquoted equity shares.</p> <p>The valuation of the Group’s unquoted financial assets held at fair value was a key area of audit focus due to non-availability of financials of 1 unquoted entity as on 31st March, 2018.</p> <p>The main audit risk included the accurate recording of investments at fair value as financials for 1 investment entity were only available as at 31st March, 2017. The financials have not been available for the period ended 31st March, 2018 which can result into change of market value and carrying value of unquoted investment during 1st April, 2017 to 31st March, 2018.</p> <p>The matter has been determined to be a key audit matter in view of non-availability of latest financials for fair valuation. The management has done efforts to procure the same but were unable to procure the same. We have taken management representation for the same and the investment in entity has been valued based on latest available financial statement (31.3.2017).</p>	<p><b>Our procedures included the following:</b></p> <ul style="list-style-type: none"> <li>• Obtaining an understanding from the management with regard to valuation relating to unquoted shares held.</li> <li>• Obtaining and documentation of process followed by the management in procuring latest financial information.</li> <li>• Ascertain availability of data in public domain.</li> <li>• Analysing process followed by the management in relation to the latest financial information available.</li> <li>• Ascertaining valuation as per latest available financial of unquoted entity.</li> </ul> <p>Based on the above procedures, We considered the adequacy of the disclosure for non-availability of latest financials for one entity in which the reporting company has invested on 31st March, 2019 and its fair valuation based on latest available financial statement.</p>

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS REPORT THEREON**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**AUDITOR'S RESPONSIBILITY**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31st March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019, from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
  - g) 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 has disclosed the impact of pending litigations on the financial position in the Ind AS financial statements - refer Note 29 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Bansal Bansal & Co.**  
**Chartered Accountants**  
**FRN: 100986W**

**Jatin Bansal**  
**(Partner)**

**Membership No.135399**

**Place: MUMBAI**  
**Dated: 29th May 2019**

**Annexure – A to the Auditor’s Report**

The Annexure referred to in Paragraph 1 of the Auditors Report of Even date to the Members of **MYSTIC ELECTRONICS LIMITED**.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
- b. We are informed that the Company has carried out physical verification of fixed assets during the year. Necessary effect has been given in the accounts. However, we are informed that the effect was not significant.
- c. According to information and explanations given to us and on the basis of examination of the documents, the title deeds of the immovable property included in the fixed assets are registered in the name of the Company.
2. The company did not have any inventories during the year. Accordingly, paragraph 3(ii) of the Order is not applicable
3. Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - a. in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company’s interest;
  - b. the schedule of repayment of principal and payment of interest has not been stipulated as such payment is in the nature of quasi capital and repayment thereof would depend on surplus cash flow with that subsidiary. The repayment/receipts of the principal amount and the interest are regular;
  - c. since repayment is dependent on surplus cash flow, there is no overdue in respect of loans granted to such company.
4. As per the information and explanations given to us, there are no transactions during the year in respect of loans, investments, guarantees and security in contravention to section 185 and 186 of the Act.
5. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company
7. a. The Company is regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, goods and services tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- b. There are no dues outstanding in respect of income-tax, sales tax, duty of customs, duty of excise, value added tax or any other statutory dues on account of any dispute.
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable
10. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Ind AS financial statements as required by the applicable Indian accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Bansal Bansal & Co.  
Chartered Accountants  
FRN: 100986W**

**Jatin Bansal  
(Partner)  
Membership No.135399**

**Place: MUMBAI  
Dated: 29th May 2019**

## Annexure – B to the Auditor’s Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **MYSTIC ELECTRONICS LIMITED** (“the Company”) as of 31st March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are 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 (‘ICAI’). 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.

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial control and both issued by the Institute of Chartered Accountants of India. 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 adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the 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 Ind AS financial statements, whether due to fraud or error.

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.

#### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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 Ind AS 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 Ind AS financial statements.



**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, 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.

**For Bansal Bansal & Co.  
Chartered Accountants  
FRN: 100986W**

**Jatin Bansal  
(Partner)  
Membership No.135399**

**Place: MUMBAI  
Dated: 29th May 2019**

## BALANCE SHEET AS AT 31ST, MARCH, 2019

Particulars	Note	As at 31st March, 2019 Amt. (Rs.)	As at 31st March, 2018 Amt. (Rs.)
<b>ASSETS</b>			
<b>Non- current Assets</b>			
Property, Plant & Equipment	2	16,301	44,045
Investments in Property		-	-
<b>Financial Assets</b>			
Investments	3	32,36,12,441	25,47,51,483
Loans		-	-
Other Financial Assets	4	1,33,07,353	1,29,17,425
Deferred tax assets (net)	5	5,673	-
<b>Total Non-current Assets</b>		<b>33,69,41,768</b>	<b>26,77,12,953</b>
<b>Current Assets</b>			
Inventories	6	-	-
<b>Financial Assets</b>			
Trade Receivables	7	13,59,402	13,59,402
Cash and Cash Equivalents	8	10,38,314	8,69,370
Loans	9	3,85,48,603	5,58,26,172
Other Financial Assets	10	6,66,30,800	7,40,15,000
Other Current Assets	11	19,88,500	-
<b>Total Current Assets</b>		<b>10,95,65,619</b>	<b>13,20,69,944</b>
<b>TOTAL ASSETS</b>		<b>44,65,07,388</b>	<b>39,97,82,897</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	12	19,76,62,480	19,76,62,480
Other equity	13	18,58,48,632	20,18,16,683
<b>Total Equity</b>		<b>38,35,11,112</b>	<b>39,94,79,163</b>
<b>Non- current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings		-	-
Other Financial Liabilities		-	-
Deferred Tax Liabilities (net)	5	-	2,018
Other Non-Current Liabilities		-	-
<b>Total - Non-current Liabilities</b>		<b>-</b>	<b>2,018</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	14	3,74,31,599	-
Trade Payables	15	-	-
(A) Total outstanding dues to micro enterprises and small enterprises;		-	-
(B) Total Outstanding dues to other than micro enterprises and small enterprises.		-	-
Other Financial Liabilities	16	34,884	-
Other Current Liabilities	17	2,55,29,793	3,01,716
<b>Total Current Liabilities</b>		<b>6,29,96,276</b>	<b>3,01,716</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>44,65,07,388</b>	<b>39,97,82,897</b>
Contingent liabilities and commitments (To the extent not provided for)	29		
Basis of preparation, measurement and significant accounting policies	1		

The accompanying notes are an integral part of these financial statements

For **Bansal Bansal & Co.**  
Chartered Accountants  
Firm Reg. No. 100986W

For and on behalf of the board of directors  
**Mystic Electronics Limited**

**Jatin Bansal**  
Partner  
Mem. No. 135399

**Mohit Khadaria**  
Managing Director  
DIN: 05142395

**Krishan Khadaria**  
Director  
DIN: 00219096

**Rejesh Agrawal**  
CFO

Place : Mumbai  
Dated : 29th May, 2019

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note	Year ended 31st March, 2019 Amt (Rs.)	Year ended 31st March, 2018 Amt (Rs.)
<b>Revenue</b>			
Revenue from Operations	18	-	50,32,837
Other Income	19	85,10,569	45,10,493
<b>Total Revenue</b>		<b>85,10,569</b>	<b>95,43,331</b>
<b>Expenses</b>			
Purchases of Stock-In-Trade	20	-	-
Change in Inventory	21	-	34,13,787
Employee Benefits Expenses	22	19,26,739	21,90,572
Financial Costs	23	12,57,619	2,39,890
Depreciation	24	27,744	91,562
Other Expenses	25	59,85,694	4,23,47,342
<b>Total Expenses</b>		<b>91,97,796</b>	<b>4,82,83,153</b>
<b>Profit Before Tax</b>		<b>(6,87,227)</b>	<b>(3,87,39,822)</b>
Tax Expense:			
- Current Tax		-	-
- Deferred Tax		(7,691)	36,929
<b>Profit For The Year (A)</b>		<b>(6,79,536)</b>	<b>(3,87,76,751)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified subsequently to profit or loss			
Net fair value gain/(loss) on investments in equity instruments through OCI		(1,53,88,922)	(3,64,09,254)
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR (B)</b>		<b>(1,53,88,922)</b>	<b>(3,64,09,254)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A) + (B)</b>		<b>(1,60,68,458)</b>	<b>(7,51,86,005)</b>
<b>Earning per share</b>	<b>28</b>		
Basic and Diluted (Rs.)			
Basic		(0.03)	(1.96)
Diluted		(0.03)	(1.96)
Basis of preparation, measurement and significant accounting policies	1		

The accompanying notes are an integral part of these financial statements

For **Bansal Bansal & Co.**  
Chartered Accountants  
Firm Reg. No. 100986W

For and on behalf of the board of directors  
**Mystic Electronics Limited**

**Jatin Bansal**  
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**Krishan Khadaria**  
Director  
DIN: 00219096

**Rejesh Agrawal**  
CFO

Place : Mumbai  
Dated : 29th May, 2019

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Sr. No.	Particulars	For the year ended 31st March, 2019 Amt (Rs.)	For the year ended 31st March, 2018 Amt (Rs.)
<b>A.</b>	<b>Cash Flow from Operating Activities:</b>		
	Net profit before tax & extra ordinary items	(1,60,68,458)	(7,51,86,005)
	<b>Adjustment for:</b>		
	- Depreciation and amortisation of Fixed Assets	27,744	91,562
	- Re-Measurement gain/(loss)of fair value of Equity Instrument	1,53,88,922	3,64,09,254
	- Dividend Received	-	(1,70,310)
	- Interest Received	(87,95,961)	(39,55,495)
	- Deffered Tax	(7,691)	36,929
	- Provision for Tax	-	-
	<b>Operating profit/(loss) before working capital changes</b>	<b>(94,55,444)</b>	<b>(4,27,74,065)</b>
	<b>Changes in Operating Assets and Liabilities</b>		
	(Increase )/Decrease in Loans & Advances	2,22,83,341	25,88,88,080
	(Increase )/ Decrease in Trade Receivables	-	5,73,69,661
	(Increase )/ Decrease in Inventories	-	34,13,787
	Increase /( Decrease )in Current Liabilities	6,26,94,560	(4,63,98,316)
		8,49,77,900	27,32,73,212
	Cash Generated from Operations	7,55,22,456	23,04,99,147
	<b>Net Cash from Operating activities</b>	<b>7,55,22,456</b>	<b>23,04,99,147</b>
<b>B.</b>	<b>Cash Flow From Investing Activities:</b>		
	(Acquisition)/Sale of PPE and Intangible Assests	-	-
	(Acquisition)/Sale of Investments	(8,41,49,473)	(23,43,62,500)
	- Interest Received	87,95,961	39,55,495
	- Dividend Received	-	1,70,310
	<b>Net Cash from Investing activities</b>	<b>(7,53,53,512)</b>	<b>(23,02,36,694)</b>
<b>C.</b>	<b>Cash Flow From Financing Activities:</b>		
	Net Cash from Financing activities	-	-
	Net increase in Cash and Cash Equivalents	1,68,945	2,62,452
	Cash & Cash Equivalents (Opening)	8,69,370	6,06,918
	<b>Cash &amp; Cash Equivalents (Closing)</b>	<b>10,38,315</b>	<b>8,69,370</b>

Note :

- 1 Cash & Cash Equivalents at the end of the year consist of Cash in Hand and Balances with Banks and are net of Short Term Loans and Advances from banks as follows :

Particulars	As at 31st March, 2019	As at 31st March, 2018
Cash in Hand	9,60,915	3,40,113
Balances with Banks	77,400	5,29,257
<b>Total</b>	<b>10,38,315</b>	<b>8,69,370</b>

- 2 Previous year's figures have been regrouped, rearranged wherever necessary in order to confirm to current year's presentation.

As per our report of even date attached

For **Bansal Bansal & Co.**  
Chartered Accountants  
Firm Reg. No. 100986W

For and on behalf of the board of directors  
**Mystic Electronics Limited**

**Jatin Bansal**  
Partner  
Mem. No. 135399

**Mohit Khadaria**  
Managing Director  
DIN: 05142395

**Krishan Khadaria**  
Director  
DIN: 00219096

**Rejesh Agrawal**  
CFO

Place : Mumbai  
Dated : 29th May, 2019

**Notes attached to and forming part of the financial statements as on and for the year ended on March 31, 2019****Note 1 : Basis of accounting and preparation of Financial Statements****a) Company Overview**

**Mystic Electronics Limited** ("the Company") is engaged primarily in the business of trading in Electronic Products and other related activities. The Company is a public limited Company incorporated and domiciled in India having its registered office at 401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baugh Lane, Off. J. P. Road, Andheri (West), Mumbai - 400 058. The Company is listed on BSE Limited (BSE).

**b) Basis of Accounting**

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions, rules and amendments, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention except certain assets measured at fair value.

**c) Functional and Presentation Currency**

These financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

**d) Use of Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported revenue and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Significant estimates used by the management in the preparation of these financial statements include project revenue, project cost, saleable area, economic useful lives of fixed assets, accrual of allowance for bad and doubtful receivables, loans and advances and current and deferred taxes. Differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**e) Property, Plant and Equipment & Depreciation****i. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised from financial statement, either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment

are determined by comparing the proceeds from disposal with the carrying amount of Property, plant and equipment recognised in the statement of profit and loss account in the year of occurrence.

**ii. Subsequent expenditure**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting year in which they are incurred.

**iii. Depreciation**

Depreciation is being provided on written down value method on the basis of systematic allocation of the depreciable amount of the assets over its useful life as stated in Schedule II of the Companies Act, 2013.

Depreciation on assets sold, discarded or scrapped, is provided up to the date on which the said asset is sold, discarded or scrapped.

In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets.

**f) Intangible Assets –Recognition and measurement**

Items of Intangible Assets are measured at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**i. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**ii. Amortisation**

Intangible assets are amortised over their estimated useful life on Straight Line Method.

**g) Impairment of Assets**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

**h) Investments**

Long term investments are stated at cost. However, provision for diminution is made to recognise any decline, other than temporary, in the value of long term investments.

Current investments are stated at the fair value.

**i) Measurement at fair values**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**j) Financial Instrument**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets include Trade receivable, loan to body corporate, loan to employees, security deposits, Investments and other eligible current and non-current assets.

Financial liabilities include Loans, trade payable and eligible current and non-current liabilities.



**Offsetting financial instruments** - Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

**k) Inventories**

- i. The cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at cost or net realizable value, whichever is lower on the basis of first in first out method or specific identification, as the case may be.
- ii. Finished stock are valued at lower of cost or net realizable value on the basis of actual identified units.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**l) Revenue Recognition**

**In respect of Sales**

Sales are recognised when goods are supplied and significant risk and reward of the ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are inclusive of duty and net of returns, trade discounts, rebates and GST.

**In respect of interest income**

Interest income is accounted on an accrual basis at interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**In respect of Dividend income**

Dividend income including share of profit in LLP is recognized when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**m) Taxation**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**n) Employee Benefits**

**i. Short term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Post-employment benefits**

Long-term employee benefits The Company's net obligation in respect of long term employee benefit is the amount of future benefit that employees have earned in return of their service in the current and prior periods. The benefit is discounted to determine its present value. Re-measurement are recognized in Statement of Profit & Loss in the period in which they arise.

**o) Cash and Cash equivalent**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**p) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

**q) Provisions and Contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for

- i. possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- ii. present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the Financial Statements.

#### **r) Segment Reporting**

The company is primarily in the business of trading in Agriculture Products and related activities. Further most of the business conducted is within the geographical boundaries of India.

In view of the above, in the opinion of the management and based on the organizational and internal reporting structure, the company's business activities as described above are subject to similar risks and returns. Further, since the business activities undertaken by the company are substantiating within India, in the opinion of the management, the business environment in India is considered to have similar risks and returns. Consequently, the company's business activities primarily represent a single business segment and the company's operations in India represent a single geographical segment.

#### **s) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

#### **t) Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 15 days of recognition. Trade and other

payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**u) Trade Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment / doubtful debts.

**v) Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

**w) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

**x) Business Combinations**

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interest's method.

The consideration for the business combination may consist of securities, cash or other assets. Securities shall be recorded at nominal value. In determining the value of the consideration, assets other than cash shall be considered at their fair values.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. Alternatively, it is transferred to General Reserve, if any.

The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

**Note 2 : Property, Plant and Equipment**

<b>Particulars</b>	<b>Computer</b>	<b>Total</b>
<b>Year ended March , 2019</b>		
<b>Opening gross carrying amount</b>	<b>3,01,162</b>	<b>3,01,162</b>
Additions	-	-
Disposals	-	-
Closing gross carrying amount	3,01,162	3,01,162
<b>Accumulated depreciation and impairment</b>		
Opening accumulated depreciation	2,57,117	2,57,117
Depreciation charge during the half year	27,744	27,744
Disposals	-	-
Closing accumulated depreciation and impairment	2,84,861	2,84,861
<b>Net carrying amount</b>	<b>16,301</b>	<b>16,301</b>
<b>Year ended March 31, 2018</b>		
<b>Opening gross carrying amount</b>	<b>3,01,162</b>	<b>3,01,162</b>
Additions	-	-
Disposals	-	-
Closing gross carrying amount	3,01,162	3,01,162
<b>Accumulated depreciation and impairment</b>		
Opening accumulated depreciation	1,65,555	1,65,555
Depreciation charge during the year	91,562	91,562
Disposals	-	-
Closing accumulated depreciation and impairment	2,57,117	2,57,117
<b>Net carrying amount</b>	<b>44,045</b>	<b>44,045</b>
<b>Year ended March 31, 2017</b>		
<b>Opening gross carrying amount</b>	<b>73,200</b>	<b>73,200</b>
Additions	2,27,962	2,27,962
Disposals	-	-
Closing gross carrying amount	3,01,162	3,01,162
<b>Accumulated depreciation and impairment</b>		
Opening accumulated depreciation	28,112	28,112
Depreciation charge during the year	1,37,443	1,37,443
Disposals	-	-
Closing accumulated depreciation and impairment	1,65,555	1,65,555
<b>Net carrying amount</b>	<b>1,35,607</b>	<b>1,35,607</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

**Note 3 : Investments**

	As At 31.03.2019 No. of Shares	As At 31.03.2019 Amt (Rs.)	As At 31.03.2018 No. of Shares	As At 31.03.2018 Amt (Rs.)
<b>Non - Current Investment</b>				
<b>Investment in Equity Instruments</b>				
<b>Quoted Shares</b>				
Eq. Sh of Rs. 10/- each of Shalimar Production Ltd.	4,25,00,000	2,08,25,000	-	-
Eq. Sh of Re. 1/- each of Visagar Polytext Ltd	35,00,000	19,25,000	-	-
<b>Sub Total</b>		<b>2,27,50,000</b>		
<b>Unquoted Equity Shares *</b>				
Eq. Sh of Rs. 10/- each of Sangam Infra Projects Pvt. Ltd.	7,100	38,60,341	7,100	38,63,323
Eq. Sh of Rs. 100/- each of Rising Sun Rocks Products Pvt. Ltd.	32,500	1,01,55,600	32,500	2,26,31,700
Eq. Sh of Rs. 100/- each of Kherapati Vincom Pvt. Ltd.	17,500	3,93,575	17,500	3,93,750
Eq. Sh of Rs. 100/- each of Basic Real Estate Pvt. Ltd.	5,500	23,04,720	5,500	2,31,330
Eq. Sh of Rs. 10/- each of Visagar Polytext Ltd.	-	-	35,00,000	37,80,000
Eq. Sh of Rs. 10/- each of Finworth Investment Pvt. Ltd.	2,500	7,23,650	2,500	7,11,450
Eq. Sh of Rs. 10/- each of Parampita Vinimay Pvt. Ltd.	72,500	1,41,73,025	72,500	1,41,79,550
Eq. Sh of Rs. 100/- each of Innovative Software Pvt. Ltd.	74,000	81,30,380	74,000	81,30,380
Eq. Sh of Rs. 100/- each of Forever Flourishing Fin & Inv. P. Ltd	12,000	1,16,87,520	-	-
Eq. Sh of Rs. 10/- each of Sangam Infratech Ltd.	5,75,000	5,58,49,750	-	-
<b>Total Value of Unquoted Investments</b>		<b>10,72,78,561</b>		<b>5,39,21,483</b>
<b>Investment in Partnership Firm **</b>				
3M Enterprises		14,06,39,692		19,83,15,000
Mystic Investments		5,29,44,188		25,15,000
<b>Total value of investments in partnership firms</b>		<b>19,35,83,880</b>		<b>20,08,30,000</b>
<b>Total Non-current Investments</b>		<b>32,36,12,441</b>		<b>25,47,51,483</b>
<b>Aggregate book value of quoted investments</b>		<b>2,30,45,000</b>		-
<b>Market value of quoted investments</b>		<b>2,27,50,000</b>		-
<b>Aggregate book value of unquoted investments</b>		<b>10,72,78,561</b>		<b>5,39,21,483</b>

\* The Value have been Fair Valued based on Latest Financial Available

\*\* Partnership firms are Jointly Controlled Entities .

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31.03.2019 Amt (Rs.)	As At 31.03.2018 Amt (Rs.)
<b>Note : 4</b> <b><u>Other Non Current Financial Assets</u></b>		
Advances Against Property	20,00,000	20,00,000
Income Tax Paid (Net of Provisions)	1,13,07,353	1,09,17,425
	<b>1,33,07,353</b>	<b>1,29,17,425</b>
<b>Note : 5</b> <b><u>Deferred Tax Assets / (Liabilities)</u></b>		
<b>The balance comprises temporary differences attributable to:</b>		
i. Difference between the net block as per books & net block after allowing the depreciation U/s 32 of Income Tax Act.	5,673	(2,018)
ii. Disallowance u/s 35D of the Income Tax Act, 1961	-	-
	<b>5,673</b>	<b>(2,018)</b>
<b>Note : 6</b> <b><u>Inventories</u></b>		
Stock in trade	-	-
<b>Note : 7</b> <b><u>Trade Receivables</u></b>		
(Unsecured, considered good)		
Considered good	13,59,402	13,59,402
Less: Allowance for doubtful debts	-	-
	<b>13,59,402</b>	<b>13,59,402</b>
<b>Note : 8</b> <b><u>Cash and Cash Equivalents</u></b>		
Cash on Hand	9,60,915	3,40,113
Balance with Bank		
In Current Accounts	77,400	5,29,257
	<b>10,38,314</b>	<b>8,69,370</b>
<b>Note : 9</b> <b><u>Current Loans</u></b>		
Loans Receivables considered good - Secured;		
Loans Receivables considered Doubtfull - Unsecured;		
(a) Loans & Advances to others	4,65,17,590	4,15,15,534
Less : Provision for Doubtful Loans	4,65,17,590	(4,15,15,534)
	-	-
Loans Receivables considered good - Unsecured;		
(a) Loans & Advances to others	1,08,930	50,75,247
(b) Loans & Advances to Related Parties	3,83,39,673	5,06,49,796
(c) Loans & Advances to Employees	1,00,000	1,01,129
	<b>3,85,48,603</b>	<b>5,58,26,172</b>
<b>Note : 10</b> <b><u>Other Financial Assests</u></b>		
Advance to Suppliers	6,62,50,000	7,37,50,000
Less : Provision for Doubtful Advances	-	-
	6,62,50,000	7,37,50,000
Security Deposit	2,65,000	2,65,000
Advance Recoverable in Cash or Kind	1,15,800	-
	<b>6,66,30,800</b>	<b>7,40,15,000</b>
<b>Note : 11</b> <b><u>Other Current Assets</u></b>		
Receivable for Others	19,88,500	-
	<b>19,88,500</b>	-



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	As at 31.03.2019 Amt (Rs.)	As At 31.03.2018 Amt (Rs.)
<b>Note : 12 <u>Equity Share Capital</u></b>		
<b>Authorized Capital</b>		
2,10,00,000 (2,10,00,000) Equity Shares of Rs. 10/- each	21,00,00,000	21,00,00,000
<b>Issued, Subscribed &amp; Paid up Capital</b>		
1,97,66,248 (1,97,66,248) Equity Shares of Rs. 10/- each fully paid-up	19,76,62,480	19,76,62,480
	<b>19,76,62,480</b>	<b>19,76,62,480</b>

- a. The reconciliation of number of shares outstanding and the amount of share capital as at March 31, 2019 and March 31, 2018 is set out below :

	As at March 31, 2019		As at March 31, 2018	
	Numbers	Amount	Numbers	Amount
Number of share at the beginning of the year	1,97,66,248	19,76,62,480	1,97,66,248	19,76,62,480
Less: Shares consolidated during the year	-	-	-	-
Add: Shares consolidated during the year	-	-	-	-
<b>Number of share at the end of the year</b>	<b>19,76,62,48</b>	<b>19,76,62,480</b>	<b>1,97,66,248</b>	<b>19,76,62,480</b>

- a. Shareholding More than 5%

Details of Shareholders holding more than 5 percent Equity shares in the company on reporting date:

	As at March 31, 2019		As at March 31, 2018	
	Numbers	%	Numbers	%
Sanjay Singal	10,00,000	5.06%	10,00,000	5.06%
Sanjay Singal- HUF	10,00,000	5.06%	10,00,000	5.06%
Aarti Singal	10,00,000	5.06%	10,00,000	5.06%

**Note : 13 Other equity**

Refer Statement of Changes in Equity for detailed movement in Equity balance.

**A. Summary of Other Equity balance.**

	As at 31.03.2019 Amt (Rs.)	As At 31.03.2018 Amt (Rs.)
Capital Reserve	8,08,434	8,08,434
Securities premium reserve	27,85,50,800	27,85,50,800
Retained Earnings	(4,51,55,663)	(4,45,76,534)
Other Comprehensive Income	(4,83,54,939)	(3,29,66,017)
	<b>18,58,48,632</b>	<b>20,18,16,683</b>

**B. Nature and purpose of reserves**

**i Capital Reserve represents**

Under the scheme of Arrangement ( De-merger ), the excess of net assets taken, over the cost of consideration paid is treated as capital reserve .

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019****ii Securities premium reserve represents**

The amount received in excess of face value of shares is recognised in securities premium reserve . In case of equity -settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as Securities premium reserve.

**iii Retained Earnings represents**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

iv Equity Instruments through Other Comprehensive Income: This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

	<b>As at 31.03.2019 Amt (Rs.)</b>	<b>As At 31.03.2018 Amt (Rs.)</b>
<b>Note : 14 <u>Short term Borrowings</u></b>		
Borrowings	3,74,31,599	-
	<b>3,74,31,599</b>	<b>-</b>
<b>Note : 15 <u>Trade Payables</u></b>		
Due to Micro & Small Enterprises	-	-
Due to Others	-	-
	-	-
<b>Note : 16 <u>Other current financial liabilities</u></b>		
Kotak Mahindra Bank (Cheque Overdrawn)	34,884	-
	<b>34,884</b>	<b>-</b>
<b>Note : 17 <u>Other current liabilities</u></b>		
Statutory Remittances	3,96,881	2,53,782
Others	2,51,32,912	47,934
	<b>2,55,29,793</b>	<b>3,01,716</b>

	<b>Year ended 31.03.2019 Amt (Rs.)</b>	<b>Year ended 31.03.2018 Amt (Rs.)</b>
<b>Note : 18 <u>Revenue from Operations</u></b>		
<b>Sales of Products and Services</b>		
Sales of Products	-	27,14,962
Order Processing Fees	-	-
Incentive & Others	-	-
LTCG on Sale of Shares	-	23,17,875
	-	<b>50,32,837</b>
<b>Note : 19 <u>Other Income</u></b>		
Dividend	-	1,70,310
Interest on Loans & Advances	39,32,096	39,55,495
Interest on Capital with Partnership Firm	48,63,865	-
Bank Charges Reversed	-	19,663
Sundry Balance W/Off - (Income)	-	3,65,025

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Year ended 31.03.2019 Amt (Rs.)	Year ended 31.03.2018 Amt (Rs.)
Share of Loss from Partnership Firm 3M Enterprises	(2,76,487)	
Share of Loss from Mystic Investments	(8,905)	
	<b>85,10,569</b>	<b>45,10,493</b>
<b>Note : 20 <u>Purchase of Stock in Trade</u></b>		
Purchases	-	-
	-	-
<b>Note : 21 <u>Change in Inventory</u></b>		
Inventory at the end of the year	-	-
Inventory at the beginning of the year	-	34,13,787
	-	<b>34,13,787</b>
<b>Note : 22 <u>Employee Benefits Expenses</u></b>		
Salaries & Bonus	16,43,400	19,30,748
Staff Welfare	33,339	19,824
House Rent Allowance & Others	2,50,000	2,40,000
	<b>19,26,739</b>	<b>21,90,572</b>
<b>Note : 23 <u>Financial Costs</u></b>		
Interest on Unsecured Loan	12,57,332	-
Interest on Deffered Payment of Tax	287	2,39,890
	<b>12,57,619</b>	<b>2,39,890</b>
<b>Note : 24 <u>Depreciation</u></b>		
on Fixed Assets (Note 3)	27,744	91,562
	<b>27,744</b>	<b>91,562</b>
<b>Note : 25 <u>Other Expenses</u></b>		
Annual Listing & Custodian Charges	3,18,560	2,89,316
Auditors Remuneration	50,000	50,000
Bad Debts/Provision	50,02,056	2,34,08,579
Bank Charges	1,198	3,687
Compliance & Legal Expenses	13,000	36,550
Conveyance Expenses	65,225	73,577
Demat Charges	897	898
Electricity Charges	73,483	1,07,373
Filing Fees	4,800	11,800
General Expenses	5,160	15,548
Miscellaneous Expenses	25,576	3,710
Other Expenses	-	3,66,974
Postage & Courier Charges	30,971	20,683
Printing & Stationery	46,820	38,061
Professional Fees	1,64,100	1,15,100
Publication & Advertisement Expenses	20,880	21,728
Rent	96,000	96,000
Repairs & Maintainence	-	750
RTA Expenses	62,474	52,409
Service Tax Expenses	-	61,386

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

	Year ended 31.03.2019 Amt (Rs.)	Year ended 31.03.2018 Amt (Rs.)
Sundry Balance W/off	-	17530867
Sundry Expenses	-	20,752
Telephone Charges	4,495	21594
	<b>59,85,694</b>	<b>4,23,47,342</b>

**Note : 26 Segment Reporting**

The Company is mainly engaged in trading in Electronic Products. All activities of the company revolve around this main business. As such there are no separate reportable segments as per the Accounting Standard on Segment Reporting

**Note : 27 Related Party Disclosures**

As required under Accounting Standard 18 "Related Party Disclosure", following are the details of transactions during the year with the related parties of the Company as defined in AS 18 :

**a) Director of the Company**

Mr. Krishan Khadaria	Director
Mr. Manoj Bhatia	Director
Mr. Tarun Keram	Director
Mrs. Asha Khadaria	Director
Mrs. Niraali Thingalaya	Director

**b) Key Management Personnel**

Mr. Rajesh Agrawal	Chief Financial Officer
Ms. Manisha Swami	Company Secretary
Mr. Mohit Khadaria	Managing Director

**c) Promoter/Shareholder's of the Company**

Mr. Krishan Khadaria
Mr. Mohit Khadaria
Mrs. Asha Khadaria
Mrs. Sushiladevi Khadaria
Ms. Mohini Khadaria

**d) Enterprises over which Key Managerial Personnel (KMP) and/or their relatives exercise significant influence**

AD-Hash Technolabs Private Limited  
 Anutham Property Developers Private Limited  
 Attribute Shares & Securities Private Limited  
 Bhaskar Realty Private Limited  
 Forever Flourishing Finance and Investment Private Limited  
 Golden Medows Export Private Limited  
 Kashish Multitrade Private limited  
 Kasturi Overseas Private Limited  
 Laxmiramuna Investments Private Limited  
 Navyug Telefilm Private Limited  
 Nouveau Shares & Securities Limited  
 Nouveau Global Ventures Limited

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

Slogan Infotech Private Limited  
 Pearl Arcade Amusement Private Limited  
 Pearl Arcade Consultant Private Limited  
 Mitesh Poly Pack Private Limited  
 Mosiby Foods & Beverages Private Limited  
 Mukta Agriculture Limited  
 Rajat Commercial Enterprises Private Limited  
 Suman Multitrade Private Limited  
 Thai Malai Golf Resort & SPA Private Limited  
 Global Enterprises  
 M T Organics LLP  
 Dexlabs Innovations LLP  
 Syndicate Enterprises LLP  
 3M Enterprises  
 Mystic Investments  
 Laxmi Investments  
 Mentonect Private Limited  
 Amita Multitrade Private Limited  
 Orient Industrial Resources Limited

**e) Transactions with the enterprises out of (d) above:**

Nouveau Global Ventures Limited  
 Mukta Agriculture Limited  
 3M Enterprises  
 Mystic Investment

(Rs. In Lacs)

Nature of Transactions	In relation to (a) above	In relation to (b) above	In relation to (e) above
<b>Loans &amp; Advances given</b>			<b>172.07</b>
Loans & Advances received back			295.17
Interest received			39.32
			(36.44)
Office Rent	0.96		
	(0.96)		
<b>Loans &amp; Advances Outstanding as on 31st March, 2019</b>			<b>383.40</b>
			(506.49)
<b>Loan Taken</b>			<b>385.57</b>
Loan Repayment			11.26
Interest Paid			12.57
<b>Amount of Borrowing Outstanding as on 31st March, 2019</b>			<b>374.32</b>
<b>Investment in Partnership Firm/ LLP</b>			<b>791.14</b>
Investment refund Back			864.72
Interest received			48.64
<b>Investment as on 31st March, 2019</b>			<b>1,935.84</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**

<b>Note : 28 Earnings Per Share (EPS)</b>	<b>AS AT 31.03.2019</b>	<b>AS AT 31.03.2018</b>
(i) Net Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders	(6,79,536)	(3,87,76,751)
(ii) Opening number of equity shares used as denominator	1,97,66,248	1,97,66,248
Less : Effect of treasury shares	-	-
Net Weighted Average number of equity shares used as denominator for calculating EPS	1,97,66,248	1,97,66,248
(iii) Basic & Diluted Earning Per Share (in Rs.)	(0.03)	(1.96)
(iv) Face value per share	10.00	10.00

**Note:**

The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the company remain the same.

**Note : 29 Contingent Liabilities ( To the Extent not Provided For )**

( Amount in Lacs )

<b>Contingent liabilities:</b>	<b>Asst. Yr.</b>	<b>For the year ended on</b>	
		<b>31.03.2019</b>	<b>31.03.2018</b>
- In respect of pending appeal before Hon. CIT(Appeals)-52 , Mumbai	2015-16	670.39	670.39
- In respect of pending appeal before Hon. CIT(Appeals)-52 , Mumbai	2014-15	1,080.41	1,080.41
- In respect of pending appeal before Hon. CIT (Appeal)-17, Mumbai	2013-14	23.88	23.88

**Previous year figures**

Previous Year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year's classification/disclosures.

The accompanying notes are an integral part of these financial statements

For **Bansal Bansal & Co.**  
Chartered Accountants  
Firm Reg. No. 100986W

For and on behalf of the board of directors  
**Mystic Electronics Limited**

**Jatin Bansal**  
Partner  
Mem. No. 135399

**Mohit Khadaria**  
Managing Director  
DIN: 05142395

**Krishan Khadaria**  
Director  
DIN: 00219096

**Rejesh Agrawal**  
CFO

Place : Mumbai  
Dated : 29th May, 2019

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

## Note - Fair value measurements

## a. Financial instruments by category

Particulars	As at March 31, 2019		As at March 31, 2018	
	FVOCI	Amortised cost	FVOCI	Amortised cost
<b>Financial Assets</b>				
Investments				
- Equity / Pref instruments	13,00,28,561		5,39,21,483	
- Partnership firms & LLC	-	19,35,83,880		20,08,30,000
- Mutual funds	-	-	-	-
Trade receivables	-	13,59,402	-	13,59,402
Cash and cash equivalents	-	10,38,314	-	8,69,370
Other bank balances	-	-	-	-
Loans	-	3,85,48,603	-	5,58,26,172
Other financial assets	-	7,99,38,153	-	8,69,32,425
<b>Total financial asset</b>	<b>13,00,28,561</b>	<b>31,44,68,352</b>	<b>5,39,21,483</b>	<b>34,58,17,369</b>
<b>Financial Liabilities</b>				
Borrowings	-	3,74,31,599.00	-	-
Trade payables	-	-	-	-
Other financial liabilities	-	2,55,64,677	-	3,01,716
<b>Total financial liabilities</b>	<b>-</b>	<b>6,29,96,276</b>	<b>-</b>	<b>3,01,716</b>

## b. Fair value hierarchy

Financial assets and liabilities measured at fair value - March 31 2019	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments					
- Equity / Pref instruments	3	2,27,50,000	-	10,72,78,561	13,00,28,561
- Mutual funds		-	-	-	-
<b>Total financial asset</b>		<b>2,27,50,000</b>	<b>-</b>	<b>10,72,78,561</b>	<b>13,00,28,561</b>

Financial assets and liabilities measured at amortised cost - March 31 2019	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments					
- Partnership Firm	3	-	-	19,35,83,880	19,35,83,880
Trade receivables	7	-	-	13,59,402	13,59,402
Cash and cash equivalents	8	-	-	10,38,314	10,38,314
Other bank balances		-	-	-	-
Loans	9	-	-	3,85,48,603	3,85,48,603
Other financial assets	4&10	-	-	8,19,26,653	8,19,26,653
<b>Total financial asset</b>		<b>-</b>	<b>-</b>	<b>31,64,56,852</b>	<b>31,64,56,852</b>
<b>Financial Liabilities</b>					
Borrowings		-	-	3,74,31,599	3,74,31,599
Trade payables	15	-	-	-	-
Other financial liabilities	16	-	-	2,55,64,677	2,55,64,677
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>6,29,96,276</b>	<b>6,29,96,276</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Financial assets and liabilities measured at fair value - March 31 2018	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments					-
- Equity / Pref instruments	3	37,80,000.00	-	5,01,41,483	5,39,21,483
- Partnership firms & LLC		-	-	-	-
- Mutual funds		-	-	-	-
<b>Total financial asset</b>		<b>37,80,000.00</b>	<b>-</b>	<b>5,01,41,483</b>	<b>5,39,21,483</b>

Financial assets and liabilities measured at amortised cost - March 31 2018	Notes	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>					
Investments					
- Equity / Pref instruments			-	-	-
- Partnership firms & LLC		-	-	20,08,30,000	20,08,30,000.00
- Mutual funds		-	-	-	-
Trade receivables	7	-	-	13,59,402	13,59,402
Cash and cash equivalents	8	-	-	8,69,370	8,69,370
Other bank balances		-	-	-	-
Loans	9	-	-	5,58,26,172	5,58,26,172
Other financial assets	4&10	-	-	8,69,32,425	8,69,32,425
<b>Total financial asset</b>				<b>34,58,17,369</b>	<b>34,58,17,369</b>
<b>Financial Liabilities</b>					
Borrowings		-	-	-	-
Trade payables	15	-	-	-	-
Other financial liabilities	16	-	-	3,01,716	3,01,716
<b>Total financial liabilities</b>				<b>3,01,716</b>	<b>3,01,716</b>

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

## A EQUITY SHARE CAPITAL

	As at 31st March, 2019	As at 31st March, 2018
<b>Issued, Subscribed &amp; Paid up Capital :</b>		
1,97,66,248 (1,97,66,248) Equity Shares of Rs. 10/- each fully paid-up	19,76,62,480	19,76,62,480
Changes in Equity Share capital during the year	-	-
<b>Balance at the end of the reporting year</b>	<b>19,76,62,480</b>	<b>19,76,62,480</b>

## B OTHER EQUITY

	Reserves and Surplus				Items of Other Comprehensive Income (OCI)	
	Capital Reserve	Securities Premium	Retained Earnings	Total	Equity instruments through OCI	Total
<b>Balance As at 1st April, 2016</b>	<b>8,08,434</b>	<b>27,85,50,800</b>	<b>1,42,47,143</b>	<b>29,36,06,377</b>	<b>16,75,493</b>	<b>29,52,81,870</b>
Profit for the year	-	-	(2,00,46,926)	(2,00,46,926)	-	(2,00,46,926)
Other comprehensive income for the year	-	-	-	-	17,67,745	17,67,745
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(2,00,46,926)</b>	<b>(2,00,46,926)</b>	<b>17,67,745</b>	<b>(1,82,79,181)</b>
<b>Balance As at 31st March, 2017</b>	<b>8,08,434</b>	<b>27,85,50,800</b>	<b>(57,99,783)</b>	<b>27,35,59,451</b>	<b>34,43,237</b>	<b>27,70,02,688</b>
<b>Balance As at 1st April, 2017</b>	<b>8,08,434</b>	<b>27,85,50,800</b>	<b>(57,99,783)</b>	<b>27,35,59,451</b>	<b>34,43,237</b>	<b>27,70,02,688</b>
Profit for the year	-	-	(3,87,76,751)	(3,87,76,751)	-	(3,87,76,751)
Other comprehensive income for the year	-	-	-	-	(3,64,09,254)	(3,64,09,254)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(3,87,76,751)</b>	<b>(3,87,76,751)</b>	<b>(3,64,09,254)</b>	<b>(7,51,86,005)</b>
<b>Balance As at 31st March, 2018</b>	<b>8,08,434</b>	<b>27,85,50,800</b>	<b>(4,45,76,534)</b>	<b>23,47,82,700</b>	<b>(3,29,66,017)</b>	<b>20,18,16,683</b>
<b>Balance As at 1st April, 2018</b>	<b>8,08,434</b>	<b>27,85,50,800</b>	<b>(4,45,76,534)</b>	<b>23,47,82,700</b>	<b>(3,29,66,017)</b>	<b>20,18,16,683</b>
Profit for the year	-	-	(6,79,536)	(6,79,536)	-	(6,79,536)
Other adjustments	-	-	1,00,407	1,00,407	-	1,00,407
Other comprehensive income for the year	-	-	-	-	(1,53,88,922)	(1,53,88,922)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(5,79,129)</b>	<b>(5,79,129)</b>	<b>(1,53,88,922)</b>	<b>(1,59,68,051)</b>
<b>Balance As at 31st March, 2019</b>	<b>8,08,434</b>	<b>27,85,50,800</b>	<b>(4,51,55,663)</b>	<b>23,42,03,571</b>	<b>(4,83,54,939)</b>	<b>18,58,48,632</b>

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**MYSTIC ELECTRONICS LIMITED**

401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane, Off J. P. Road, Andheri (W), Mumbai – 400058

Tel.: 022-26778155 Fax: 26781187 CIN: L72300MH2011PLC221448

Email: electronics.mystic@gmail.com Website: www.mystic-electronics.com

**ATTENDANCE SLIP**

Please fill attendance slip and hand it over at the entrance of the meeting hall Joint shareholders may obtain additional Slip at the venue of the meeting

D.P. Id*		Folio No.	
Client Id *		No. of Shares	

**NAME OF THE SHAREHOLDER / PROXY HOLDER:** \_\_\_\_\_

I hereby record my presence at the **8th Annual General Meeting** of the Company held on **Monday, 30th September, 2019 at 10:00 a.m.** at *Aabhar Studio- 606, Aston Building, Sundervan Complex, Above Mercedes Showroom, Near Lokhandwala Circle, Andheri (West), Mumbai-400053.*

\_\_\_\_\_  
Signature of Shareholder/Proxy holder

**NOTE: PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING & HANDOVER AT THE ENTRANCE DULY FILLED & SIGNED. MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF ANNUAL REPORT TO THE MEETING. MEMBERS WHO HOLD SHARES IN DEMATERIALISED FORM ARE REQUESTED TO FURNISH THEIR CLIENT ID AND DPIN FOR EASY IDENTIFICATION OF ATTENDANCE AT THE MEETING. PROXIES ARE REQUESTED TO BRING THEIR IDENTITY PROOF FOR VERIFICATION AT THE ENTRANCE OF THE MEETING.**





**MYSTIC ELECTRONICS LIMITED**

401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane, Off J. P. Road, Andheri (W), Mumbai – 400058  
 Tel.: 022-26778155 Fax: 26781187 CIN: L72300MH2011PLC221448  
 Email: electronics.mystic@gmail.com Website: www.mystic-electronics.com  
**Form No. MGT-11**

**PROXY FORM**

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

CIN : L72300MH2011PLC221448  
 Name of the Company : Mystic Electronics Limited  
 Registered Office : 401/A, Pearl Arcade, Opp. P. K. Jewellers,  
 Dawood Baug Lane, Off. J. P. Road,  
 Andheri (W), Mumbai – 400058  
 Name of the member(s) : .....  
 Registered Address : .....  
 Email ID : .....  
 Folio No./Client ID/DP ID : .....

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

- 1) Name : ..... Address : .....  
 Email ID: ..... Signature : .....or failing him
- 2) Name : ..... Address : .....  
 Email ID: ..... Signature : .....or failing him
- 3) Name: ..... Address : .....  
 Email ID: ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **8th Annual General Meeting** of the Company, to be held on **Monday, 30th September, 2019, at 10:00 a.m.** at *Aabhar Studio- 606, Aston Building, Sundervan Complex, Above Mercedes Showroom, Near Lokhandwala Circle, Andheri (West), Mumbai- 400053* and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:	For	Against
1. Adoption of the audited financial statements for the financial year ended 31st March, 2019;		
2. Appointment of Mrs. Asha Khadaria as a director liable to retire by rotation.		
<b>Special Business:</b>		
3. Re-appointment of Mr. Manoj Ganeshdas Bhatia (DIN: 01953191) as an Independent Director of the Company		
4. To appoint Narendra Ramkishor Gupta (DIN: 00418421) as an Independent Director of the Company.		
5. To ratify and approve existing material Related Party Transactions.		
6. To approve transactions with related parties under section 188 of the companies act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.		

Signed this ..... day of ..... 2019.

.....  
 Signature of shareholder Signature of Proxy holder(s)

- Notes:**
- 1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
  - 2. If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For". If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "Against". If no direction is given, your Proxy may vote or abstain as he/she thinks fit.







### MYSTIC ELECTRONICS LIMITED

401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane, Off J. P. Road, Andheri (W), Mumbai – 400058

Tel.: 022-26778155 Fax: 26781187 CIN: L72300MH2011PLC221448

Email: [electronics.mystic@gmail.com](mailto:electronics.mystic@gmail.com) Website: [www.mystic-electronics.com](http://www.mystic-electronics.com)

#### BALLOT FORM

Serial No. \_\_\_\_\_

1. Name and Registered Address :  
of the Sole/First named  
Shareholder:
2. Name(s) of the Joint holder(s), :  
if any
3. Registered Folio Number / :  
DP ID No. / Client ID No.
4. Number of Share(s) held :

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice for convening the **8th Annual General Meeting** of the Company to be held on Monday, **30th September, 2019, at 10:00 a.m.**, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick( ✓ ) mark at the appropriate box below:

Item No.	Description	Type of Resolution	No. of shares held by me	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1	Adoption of the audited financial statements for the financial year ended 31st March, 2019;	Ordinary Resolution			
2	Appointment of Mrs. Asha Khadaria as a director liable to retire by rotation.	Ordinary Resolution			
3	Re-appointment of Mr. Manoj Ganeshdas Bhatia as an Independent Director of the Company.	Special Resolution			
4.	To appoint Narendra Ramkishor Gupta as an Independent Director of the Company	Ordinary Resolution			
5.	To ratify and approve existing material Related Party Transactions	Ordinary Resolution			
6.	To approve transactions with related parties under section 188 of the companies act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.	Ordinary Resolution			

Place : \_\_\_\_\_

Date : \_\_\_\_\_

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

Affix  
Re. 1/-  
Revenue  
Stamp

**NOTE:** Kindly read the instructions printed overleaf before filing the form. Valid Ballot Forms received by the Scrutinizer before the conclusion of AGM (i.e.) on **30th September, 2019** shall only be considered.

#### E-VOTING

Members may obtain below mentioned credential for casting his/her vote by remote e-voting by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or by contacting NSDL at the toll free no.: 1800-222-990.

EVEN (E Voting Event No.)	User ID	PASSWORD

Please follow steps for e-voting procedure as given in the Notice of AGM by logging on to [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**INSTRUCTIONS**

- I. The Ballot Form should be completed and signed by the sole/first named member. In case of joint holding, this Form should be completed and signed by the first named member and in his absence by the next named joint holder. The signature of the member on this Ballot Form should be as per the specimen signature registered with the Company or furnished by National Securities Depository Limited to the Company, in respect of shares held in the physical form or dematerialized form, respectively .
- II. In case of shares held by Companies, trusts, societies, etc., the duly completed Ballot Form should be accompanied by a certified true copy of the Board Resolution/ Authorization together with attached specimen signature(s) of the duly authorized signatories.
- III. Member holding shares in dematerialized form are advised, in their own interest, to get their signatures verified by their Banker/Depository Participant (DP). Signatures should be verified by the Manager of the concerned Bank/DP by affixing a rubber stamp/seal mentioning name and address of the Bank/DP and name, stamp and signature of the Manager.
- IV. Member are requested not to send any other paper along with the Ballot Form and any other paper found in the envelope, the same would not be considered and would be destroyed by the Scrutinizer.
- V. The votes should be cast in for or against the Resolution putting the tick mark (√) in the column for assent or dissent. Ballot form bearing (√) in both the column will render the form invalid. Incomplete, unsigned, incorrectly filled Ballots will be subject to rejection by the Scrutinizer.
- VI. There will be one Ballot Form for every Folio/Client ID irrespective of the number of the joint holders.
- VII. The Ballot shall not be exercised by a Proxy.
- VIII. Ballot Form – Votes will be considered invalid on the following grounds:
  - (i) If the member's signature does not tally.
  - (ii) If the member has marked all his shares both in favour and also against the resolutions
  - (iii) If the Ballot paper is unsigned.
  - (iv) If the Ballot paper filled in pencil or signed in pencil.
  - (v) If the Ballot paper received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the above grounds.
- IX. The Scrutinizer's decision on the validity of the Ballot will be final.

**Address of Scrutinizer: Mr. Arvind Baid -Scrutinizer, 802, Corporate Annexe, Sonawala Road, Near Udyog Bhawan, Goregaon (East),Mumbai - 400063.**



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