
**FIFTH ANNUAL REPORT
2015-2016**



CORPORATE INFORMATION

CONTENTS

PAGE NO.

BOARD OF DIRECTORS

Mr. Krishan Khadaria	Director
Mr. Manoj Bhatia	Director
Mr. Tarun Keram	Director
Ms. Madhumati Gawade	Director
Ms. Disha Jain	Company Secretary
Mr. Rajesh Agrawal	Chief Financial Officer
Ms. Parvati Nirban	Manager

Company Information1

Notice2

Directors' Report10

AUDIT COMMITTEE

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

Annexures to Directors Report.....17

Secretarial Audit Report20

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

Corporate Governance Report32

NOMINATION AND REMUNERATION COMMITTEE

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

Independent Auditors' Report on
Financial Statements.....51

AUDITORS

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

Balance Sheet.....57

BANKERS

Axis Bank Ltd.
ICICI Bank Ltd.
IDBI Bank Ltd.

Statement of Profit & Loss58

Cash Flow Statement59

REGISTERED OFFICE

401/A, Pearl Arcade, Opp. P. K. Jewellers,
Dawood Baug Lane, Off J. P. Road,
Andheri (West), Mumbai - 400 058
Tel. No.: 26778155 / 26797750 / 32459097
CIN : L72300MH2011PLC221448
Email id.: electronics.mystic@gmail.com
Website : www.mystic-electronics.com

Notes forming part of the Financial Statements60

Attendance Slip / Form of Proxy / Ballot Form ..76/78

REGISTRAR & TRANSFER AGENT

Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai - 400 072
Tel. No.: 022-28470652
Email id.: investor@bigshare.com

End of Report

NOTES

Notice is hereby given that the **Fifth Annual General Meeting** of the Members of Mystic Electronics Limited (Formerly known as Pearl Electronics Limited) will be held on **Monday, 19th September, 2016, at 11:30 a.m.** at Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall, Oshiwara, Mumbai, Andheri(W), Mumbai 400058 to transact the following business: -

ORDINARY BUSINESS:

1. Adoption of Financial Statement:

To receive, consider and adopt the Statement of Profit and Loss for the year ended March 31, 2016 and the Balance Sheet as on that date together with the Reports of the Directors and the Auditors thereon.

2. Appointment of Mr. Krishan Khadaria as a Director liable to retire by Rotation:

To appoint Mr. Krishan Khadaria (holding DIN: 00219096) as Director, who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible, offers himself for re-appointment.

Therefore shareholders are requested to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 read with Schedule IV and applicable provisions, if any, of the Companies Act, 2013, the approval of the Company be, and is hereby accorded to the re-appointment of Mr. Krishan Khadaria (DIN:00219096) as Director, to the extent that he is required to retire by rotation."

3. Appointment of Auditors:

To ratify the appointment of **M/s. Bansal Bansal & Co., Chartered Accountants (Firm Registration No. 100986W)**, as Statutory Auditors of the Company, and to fix their remuneration and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendation made by the Audit Committee of the Board of Directors and pursuant to the resolution passed by the members at the AGM held on September 30, 2015 the appointment of **M/s. Bansal Bansal & Co., Chartered Accountants (Firm Registration No. 100986W)**, as the Auditors of the Company to hold office till the conclusion of the next AGM be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the Financial Year ending March 31, 2017, as may be determined by the audit committee of the Board in consultation with the auditors."

**By and on behalf of the Board
for Mystic Electronics Limited
(Formerly known as Pearl Electronics Limited)**

Registered Office:

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

Sd/-
Krishan Khadaria
Director
DIN: 00219096

Place: Mumbai
Dated: August 13, 2016

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxies submitted on behalf of limited companies, LLP, etc., must be supported by appropriate resolution/authority, as applicable. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The members/ proxies are requested to bring their copy of the Annual Report to the meeting along with duly filled in attendance slips for attending the meeting.
3. Members / Proxy coming to attend the Annual General Meeting are requested to carry their original photo ID (passport/driving license/ voter's card/PAN card) proof with them for the purpose of verification at the venue.
4. When a member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
7. Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 in respect of Director retiring by rotation and being re-appointed has been provided in the "**ANNEXURE I**" to this Notice.
8. The Register of Members and the share transfer books of the Company shall remain closed from Monday, 12th September, 2016 to Monday 19th September, 2016 (both days inclusive).
9. Members are requested to notify immediately any change in their communication address to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID Number and to M/s. Bigshare Services Private Limited, Company's Registrar & Share Transfer Agent, in respect of their holding in physical shares, quoting Folio No.
10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website- www.mystic-electronics.com
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Company's Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited.

12. Electronic copy of the annual report for 2015-2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the annual report for 2015-2016 are been sent to them. The Notice of the Meeting is also posted on the website of the Company www.mystic-electronics.com.
13. To support the green initiatives of the Government, members who have not registered their e-mail address so far are requested to register their e-mail address, in respect of their electronic holdings with the Depository through their concerned Depository Participants and members who hold shares in physical form are requested to register their e-mail address with the Registrar of the Company i.e. M/s. Bigshare Services Private Limited., E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai-400 072.
14. In Accordance with the provisions of Section 108 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies(Management and Administration) Rules, 2014 and amendment thereto and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation's, 2015, the Company has engaged the services of Central Depository Services Limited (CDSL) to provide remote e-voting facility to all the members to enable them to cast their votes electronically in respect of the business to be transacted at the Meeting. **The instruction for remote e-voting are annexed separately and form part of this Notice.** Members who would have cast their vote by remote e-voting may attend the Meeting, but shall not be able to vote at the Meeting. Such member will also not be allowed to change or cast vote again. Members attending the Meeting who would have not already cast their vote by e-voting shall be able to exercise their right to vote at the Meeting through Ballot Papers. **The Members, whose names appears in the Register of Members/ list of Beneficial Owners as on Monday, 12th September, 2016, being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice.** A person, who is not a member as on the cut-off date 12th September, 2016 should treat this Notice for information purpose only.
15. Any person who becomes a member of the Company after the dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **12th September, 2016**, may obtain the User ID and Password by sending an email request to the RTA.
16. **A ROUTE MAP** giving directions of the venue of the meeting is annexed to the Notice. Members may also note that the Notice of the Meeting along with the route map and the Annual report 2015-2016 will also be available on the website of the Company (www.mystic-electronics.com) for download.
17. The Notice of the Meeting is being placed on the website of the Company viz., www.mystic.electronics.com and on the website of CDSL viz., www.cdslindia.com
18. **Board of Directors has appointed Mr. Arvind Dhanraj Baid**, Practicing Chartered Accountants (Membership No. 155532) as the Scrutinizers for scrutinizing the process of remote e-voting and Poll (Ballot forms) at the Meeting venue in a fair and transparent manner.
19. The Scrutinizer shall, immediately after the conclusion of the meeting count the votes count at the Meeting and thereafter, unblock the votes cast through remote e-voting in presence of at least two witnesses not in employment of the Company and shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the Meeting. The Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose shall declare the results of remote e-voting and voting at the Meeting venue through Ballot form. The result declared along with the Scrutinizer Report shall be placed on the Company's website (www.mystic.electronics.com) and also be displayed on the Notice Board of the Company at its registered office and on the website of CDSL (www.evotingindia.com) immediately after the results are declared and simultaneously communicated to BSE Limited.

20. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company between 11:00 A.M. to 1:00 P.M. on all working days i.e. Monday to Friday, up to the date of the Meeting.

Voting through electronic means:

21. **The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on **Friday, 16th September, 2016 (10:00 AM) and ends on Sunday, 18th September, 2016 (05:00 PM) both days inclusive.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **12th September, 2016** may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Mystic Electronics Limited (Formerly, known as Pearl Electronics Limited) on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on **Friday, 16th September, 2016 (10:00 AM) and ends on Sunday, 18th September, 2016 (05:00 PM) both days inclusive.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **12th September, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

A. For members who wish to vote using Ballot Form:

Members may fill in the Ballot Form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in sealed envelope to **Mr. Arvind Baid -Scrutinizer, Flat No. 501, Ruby Palace, Plot No. 74, Ceaser Road, Opp. Filmalaya Studio, Amboli, Andheri (West), Mumbai - 400 058** so as to reach before the conclusion of Annual General Meeting which is held on 19th September, 2016. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

In the event, a member casts his votes through both the processes i.e. e-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.

22. The Results shall be declared within 48 hours after the Annual General Meeting (AGM) of the Company and the resolutions will be deemed to be passed on the date of the AGM, subject to receipt of the requisite number of votes in favor of the Resolutions.

**By and on behalf of the Board
for Mystic Electronics Limited
(Formerly known as Pearl Electronics Limited)**

Sd/-
Krishan Khadaria
Director
DIN: 00219096

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: August 13, 2016

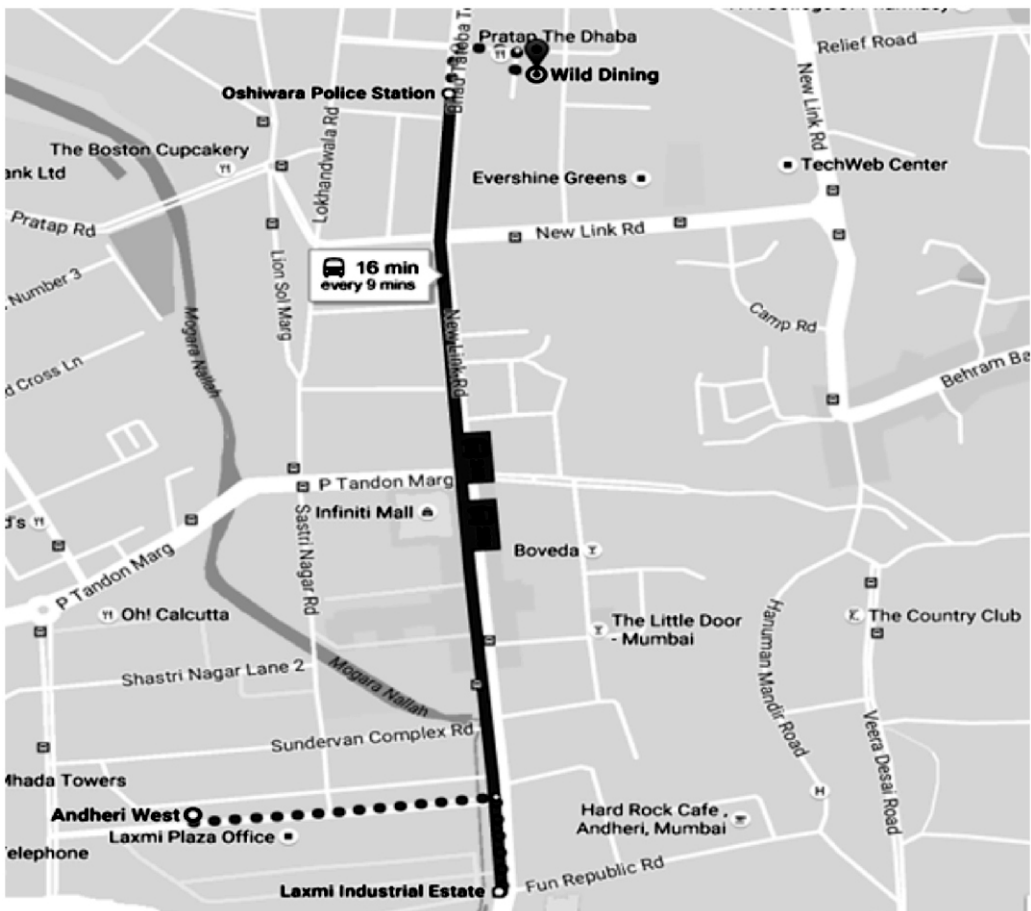
**INFORMATION PURSUANT TO THE LISTING REGULATIONS AND
SECRETARIAL STANDARDS IN RESPECT OF
APPOINTMENT/RE-APPOINTMENT OF DIRECTORS AT
THE 5TH ANNUAL GENERAL MEETING**

Name of Director	Krishan Khadaria
DIN	00219096
Date of Birth	15/05/1961
Nationality	Indian
Date of appointment	30/08/2011
Educational Qualification	Chartered Accountant and Bachelor of Law
Experience	<p>Mr. Khadaria is a qualified Chartered Accountant as well as a Bachelor of Law and has started his career at the age of 23 as a practicing partner of M/s. Saraogi & Associates Chartered Accountants. Since 1989 he is senior partner of M/s K. K. Khadaria & Co. Chartered Accountants, specializing in auditing, taxation, business and corporate legal and financial consultant, loan and lease syndication, capital market operations. In a short span he gained high reputation and professional growth and niche in multi operational fields.</p> <p>Besides being continued to look after the affairs of M/s. K. K. Khadaria & Co. the rich experience and niche had inspired him to promote a public limited company by the name Nouveau Finance Ltd. The Company later on diversified into the business of media and entertainment and followed by further diversification as a venture capital entity with new name to Nouveau Global Ventures Limited.</p>
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/Investors' Grievance Committee)	<p>Mukta Agriculture Limited(Formerly known as Pearl Agriculture Limited)</p> <ul style="list-style-type: none"> - Audit Committee(Member) - Stakeholders Relationship Committee (Member) <p>Nouveau Global Ventures Limited</p> <ul style="list-style-type: none"> - Audit Committee(Member)
List of directorship held in other Companies	<ol style="list-style-type: none"> 1. Nouveau Global Ventures Limited 2. Nouveau Shares & Securities Limited 3. Kasturi Overseas Private Limited 4. Navyug Telefilms Pvt. Ltd. 5. Forever Flourishing Finance & Investments Pvt. Ltd. 6. Attribute Shares & Securities Pvt. Ltd. 7. Laxmiramuna Investments Pvt. Ltd. 8. Golden Meadows Export Pvt. Ltd. 9. Kashish Multi Trade Private Limited 10. Thai Malai Golf Resort & Spa Private Limited 11. Hilton Vyapar Private Limited 12. Pearl Arcade Property Developers Private Limited 13. Pearl Arcade Consultant Private Limited 14. Mukta Agriculture Limited 15. Rajat Commercial Enterprises Pvt. Ltd. 16. Bhaskar Realty Private Limited 17. Slogan Infotech Private Limited 18. Keemaya Housing Finance Private Limited
Shareholding in the Company	72,60,700



ROUTE MAP OF THE VENUE

**OF THE 5TH ANNUAL GENERAL MEETING OF THE COMPANY,
TO BE HELD ON 19th September, 2016 at
Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall,
Oshiwara, Mumbai, Andheri (W), Mumbai -400058**



VENUE of the Meeting : Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall, Oshiwara, Mumbai, Andheri(W), Mumbai 400058.

Prominent Landmark: Om Heera Panna Mall.

DIRECTOR'S REPORT

**To,
The Members,
MYSTIC ELECTRONICS LIMITED**

Your Company's Directors are pleased to present the 5th Annual Report of the Company, together with the Audited Financial Statements, for the financial year ended March 31, 2016.

1. FINANCIAL PERFORMANCE OF THE COMPANY

(Rs. In Lacs)

PARTICULARS	Year ended March 31, 2016	Year ended March 31, 2015
Profit before interest, depreciation, tax and Extra Ordinary Items	83.66	86.94
Less: Depreciation/amortization	0.28	NIL
Profit before interest, tax and Extra Ordinary Items	83.38	86.94
Less: Finance Costs	0.50	NIL
Profit before tax and Extra Ordinary Items	82.88	86.94
Less: Provision for taxes on income		
-- Current tax	24.51	25.86
-- Deferred tax liability / (asset)	1.07	1.04
Profit before Extra Ordinary Items	57.30	60.04
Extra Ordinary Items (Net of Tax)	-	-
Profit for the year	57.30	60.04

2. STATE OF COMPANY'S AFFAIRS

The turnover of the Company increased during the financial year to Rs. 13,86,73,873 (Rupees Thirteen Crore Eighty Six Lakhs Seventy Three Thousand Eight Hundred and Seventy Three Only) as against last year's turnover of Rs. 41,26,400 (Rupees Forty One lakhs Twenty One Thousand Four Hundred Only).

For the year under review, the Company has achieved a Profit after tax of Rs.57,30,392/- (Rupees Fifty Seven Lakhs Thirty Thousand Three Hundred & Ninety Two Only) as compared to last year's Profit After Tax of Rs.60,04,407/- (Rupees Sixty Lakhs Four Thousand Four Hundred and Seven Only). Hence, the focused approach of profitable businesses have resulted in the better performance of the Company at the Revenue level for the year as compared to the previous year. Barring unforeseen circumstances, the directors of your company expect continued growth in profit in future as well.

3. DIVIDEND & RESERVES

Yours Directors do not recommend any dividend for the year ended March 31, 2016, in view of the growth and expansion of the business.

During the year under review, no amount was transferred to Reserves.

4. SHARE CAPITAL

Consolidation of Shares

On 16th January, 2016, shareholders of the Company approved by way of passing Special Resolution through Postal Ballot, Consolidation of every 10 (Ten) equity shares of nominal face value of Re. 1/- (Rupee One Only) each fully paid-up into 1 (One) Equity Share nominal face value of Rs. 10/- (Rupees Ten Only) each fully paid-up, in compliance with the provisions of Section 61(1) (b) and 64 of the Companies Act, 2013 and other applicable provisions, of the Companies Act, 2013 along with approvals, consents, permissions and sanctions received from the various authorities

The paid up Equity Share Capital of your Company after consolidation of the face value of equity shares is Rs. 19,76,62,480/- (Rupees Nineteen Crores Seventy-Six Lakh Sixty-Two Thousand Four Hundred and Eighty Only) divided into 19766248 (One Crore Ninety-Seven Lakh Sixty-Six Thousand Two Hundred and Forty-Eight) Equity Shares of the face value of Rs. 10/- (Rupee Ten Only) each.

5. DIRECTORS

Pursuant to the provisions of Section 149 of the Act, the Members, at the 4th Annual General Meeting (AGM) held on September 30, 2015, approved the appointment of Ms. Madhumati Gawade as a Director of the Company

In accordance with the provisions of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Krishan Khadaria, Director, retires by rotation at the forthcoming AGM and, being eligible, offers himself for re appointment.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees forms part of Corporate Governance Report of this Annual Report.

6. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors of your Company have given the certificate of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management. The details of training and familiarization programmes and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report.

7. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are -Mr. Rajesh Agarwal, Chief Financial Officer; Ms. Disha Jain*, Company Secretary and Ms. Parvati Nirban, Manager. There has been no change in the key managerial personnel during the financial year 2015-16.

**Note: Ms. Disha Jain has resigned from the post of Company secretary w.e.f July 30, 2016. The Board placed on record its deep appreciation for the valuable contribution made by her during her tenure of office.*

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- b) for the financial year ended March 31, 2016, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent

have been made 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 the financial year ended March 31, 2016;

- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

9. MEETINGS OF THE BOARD

During the year under review, 12(Twelve) 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.

10. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. The following substantive Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

Details of composition, terms of reference, number of meetings held for respective committees and details of the familiarisation programmes for Independent Directors are given in the Report on Corporate Governance, which forms part of this Report.

11. 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, 2016.

12. EMPLOYEE STOCK OPTION SCHEME

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

13. PARTICULARS OF EMPLOYEES

Statement pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as there were no employees who were in receipt of the remuneration beyond the limits prescribed under Section 197 of the Act. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

14. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment/Anti Sexual Harassment policy at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under, if any.

The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2015-2016, no complaints were received by the Company related to sexual harassment.

15. 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.

16. FOREIGN EXCHANGE EARNINGS AND OUT-GO:

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

17. DEPOSITS

In terms of the provisions of Sections 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, the Company had no opening or closing balances and also has not accepted any fixed deposits during the year under review and as such, no amount of principal or interest was outstanding as on March 31, 2016.

18. 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 2015-16 are given in the Notes on financial statement referred to in the Auditors' Report.

19. RELATED PARTY TRANSACTIONS

In compliance with the Listing Regulations, the Company has a policy for transactions with Related Parties ('RPT Policy'). The RPT Policy is available on the Company website viz. www.mystic-electronics.com, on the Investors page, under the section titled 'Compliance'. The same may also be accessed through the link given below: <http://www.mystic-electronics.com/investors.html>.

Apart from the Related Party Transactions in the ordinary course of business and at arm's length basis, details of which are given in the notes to the financial statements, there were no

other Related Party Transactions requiring disclosure in the Directors' Report, for compliance with Section 134(3) (h) of the Companies Act, 2013. Thus, Form AOC-2 is not applicable to the Company.

20. STATUTORY AUDITORS & AUDITORS' REPORT

During the year M/s. CPM & Associates, Chartered Accountants (Firm Registration No. 114923W) resigned at the 4th AGM held on 30th September, 2015 and **M/s. Bansal Bansal & Co, Chartered Accountants (Firm Registration No. 100986W)** was appointed as the Statutory Auditors of the Company for a term of five consecutive years commencing from the conclusion of the 4th Annual General Meeting of the Company till the conclusion of the 9th AGM subject to ratification by the Members at every Annual General Meeting.

Necessary resolution for ratification of appointment of the Auditors is set out in the Notice of AGM for seeking approval of the members.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

21. SECRETARIAL AUDITORS & AUDITORS' REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Shivhari Jalan, a Practising Company Secretary to conduct the Secretarial Audit of the Company for the financial year 2015-2016.

The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith as "**Annexure II.**"

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

Response to point no. 1:

The company shall now file the Form MGT-10 after obtaining the details from RTA.

Response to point no. 2:

Due to the transformation and application of new Companies Act, the Company was in process to get approval from the shareholders which are mandate as per the new act, as a result of this company delayed getting shareholders' approval in pursuance to Section 186 of the Companies Act, 2013.

Further, the Company has duly charged interest on loan given in terms of Section 186, Companies Act, 2013 except for one which is doubtful of recovery.

Response to point no. 3:

Your company is law abiding entity, and filed the necessary forms & returns with the authorities. However, there were few delays due to technical reasons of uploading on MCA site which the management ensures to file the same in time.

Response to point no. 4:

In order to comply with the requirement of Section 188 of the Companies Act, 2013 and clause 49 (VII) of the Listing agreement in respect of the related party transaction the Company have duly obtained approval from the Shareholders by passing Special Resolution in the 4th AGM held on September 30, 2015.

Response to point no. 5:

Due to the system break-down the Company was not in the position to intimate to BSE about the meeting of the Board of Directors held on May 30, 2015. Thus, the acknowledgement copy the same was not available with the Company.

Response to point no. 6:

Due to the internet hitch-up the intimation was delayed which the management ensures to file the same in time hereinafter.

Response to point no. 7:

The Board is of the view that there are few delays made in respect to comply with the clause 41 (VI) (a) of the Listing agreement & Regulation 47(3) of the LODR Regulations however, with improved business policy the Company will be able to meet its obligations in time. The Board is hopeful and committed to their level best to streamline the same henceforth.

22. CORPORATE GOVERNANCE

Your Company is in compliance with the Corporate Governance guidelines, as laid out in the Listing Agreements/Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). All the Directors and the Senior Management personnel have affirmed in writing their compliance with and adherence to the Code of Conduct adopted by the Company.

The Statutory Auditors of the Company have examined the requirements of Corporate Governance with reference to SEBI Listing Regulations and have certified the compliance, as required under SEBI Listing Regulations. The Certificate in this regard is attached as "**ANNEXURE VII**" to this Report.

The Chief Executive Officer/Managing Director/Manager & Chief Financial Officer (Manager/CFO) certification as required under the SEBI Listing Regulations is attached as "**ANNEXURE VI**" to this Report.

23. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in Form MGT-9 as on March 31, 2016 is set out in "**ANNEXURE IV**" forming part of this Report.

24. 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.

25. INTERNAL CONTROL SYSTEMS

The Company has adequate system of internal control 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.

26. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION

On 16th January, 2016, the Shareholders of the

Company approved by way of Postal Ballot, adoption of new set of Articles of Association in the place of existing Articles of Association in line with the provisions of the Companies Act, 2013.

27. CHANGES IN THE COMPANY'S NAME

Pursuant to the approval of shareholders by the way of Special Resolution passed through the process of Postal Ballot the result of which was declared on 16th January, 2016, the name of the Company stands changed from Pearl Electronics Limited to Mystic Electronics Limited with effect from 16th March, 2016.

28. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to the requirement of the regulation 34(2)(e) of SEBI(LODR) Regulations, 2015, the Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report marked as "**ANNEXURE II**".

29. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism called "Whistle Blower Policy" with a view to provide a mechanism for Directors and employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statement and reports etc. The Policy provides adequate safeguards against victimization of Director(s)/employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/employee have denied accessing the Chairman of the Audit Committee and that no complaints were received during the year. The details of the Policy have been posted on the Company's website (www.mystic-electronics.com)

30. PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and as per the Listing Regulations, Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered / evaluated the performance of the board as a whole and Non-independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Director). The criteria for performance evaluation have been detailed in the Corporate Governance Report which is annexed and forms part to this Report.

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, Role & accountability, objectivity, leadership and initiative skills, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, frequency and length of the meetings, the flow of information to the board members, etc. The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and at committee meetings on constructive issues etc.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated. The manner in which the evaluation has been carried out has been laid down by the Nomination & Remuneration Committee.

31. DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters provided in section 178(3)

of the Act has been disclosed in the Corporate Governance Report, which forms part of this Report.

32. LISTING

Suspension from Trading in Equity of the Company

The Company's shares are listed on BSE Limited. The scrip of the Company has been suspended from trading at the said Exchange w.e.f. August 27, 2015 by order passed by Managing Director & Chief Executive Officer of BSE limited for Surveillance & Supervision purpose.

Your Company further states that it is in the process to revoke the suspension of trading in equity of the Company by making detailed submission with the BSE Ltd- Surveillance & Supervision Department in consultation with our legal advisors and is hopeful that within a short period the suspension will be revoked.

Also, your Company has duly paid the Listing fees for the financial year 2016-17.

33. 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. March 31, 2016 and the date of this Report.

34. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS

The Company has received order for "Suspension in trading of securities of the Company" from Managing Director & Chief Executive Officer of BSE Limited on August 24, 2015.

Except for the over said order there are no significant/ material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

35. 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.

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
(Formerly known as Pearl Electronics Limited)

Sd/-
Krishan Khadaria
Director
DIN: 00219096

Sd/-
Manoj Bhatia
Director
DIN: 01953191

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: August 13, 2016

ANNEXURE II

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**➤ OVERVIEW**

Electronic goods sector is a major booming sector in our country. Not only as an intermediate commodity, but more as a consumer product, this sector has undergone a rapid growth and development since ushering in of liberalization in India. Your Company is actively involved in trading of electronic products such as mobile handsets, computer hardware and software etc. and has successfully completed four years in its trading business.

Your Company has entered into an agreement with Naaptol Online Shopping Private Limited to act as a MLP (Master Logistic Partner). Your Company is also in the process of diversifying and expanding its existing business activities into newer areas to attain better profits during this year which shall be beneficial for the growth of the Company and its members.

➤ INDUSTRY STRUCTURE AND DEVELOPMENTS

India is expected to become the fifth largest consumer durables market in the world by 2025 & the consumer electronics market is expected to increase to USD 400 billion by 2020.

The long term opportunity in consumer electronics has opened the door to new international players. The easing of foreign investment norms, allowance of 100 percent foreign equity, reduction in custom tariffs, and de-licensing of several consumer electronic products attracted remarkable amount of foreign collaboration and investment. The domestic industry also responded favorably to the politic policies of the government.

Also the government is taking a number of steps to encourage electronics manufacturing. Indeed new policies and regimes have been lately proposed by the Modi Government to make domestic electronics manufacturing more attractive. The Centre has decided to soon

launch out production-linked subsidies for companies that commit significant capital to make semiconductors, microprocessors and other such hi-tech products in the country. According to a note formulated by the Department of Electronics and Information Technology (DEITY) for the Cabinet, electronic manufacturers will get a 10 per cent subsidy on the production turnover. With such alluring opportunities and subsidies being provided by the Indian Government the Company can surely hassle free expand its resources in manufacturing of electronic goods and can claim subsidies from Indian Government.

Tele-shopping & E-commerce Industry

India had an internet user base of about 354 million as of June 2015 and is expected to cross 500 million in 2016. Despite being the second-largest user base in world, only behind China (650 million, 48% of population), the penetration of e-commerce is low compared to markets like the United States (266 million, 84%), or France (54 M, 81%), but is growing at an unprecedented rate, adding around 6 million new entrants every month. The industry consensus is that growth is at an inflection point. Thus, the Company is discovering the e-commerce segment to expand the business of the Company. Thus, the Company has taken initiation to enter the e-commerce industry by entering into CFA agreement with Naaptol Online Shopping Private Limited. Though the sector has witnessed tremendous growth and is expected to grow, many e-commerce ventures have faced tremendous pressure to ensure cash flows.

The country has a strong base of distributors of electronics components - both domestic players and MNCs- making the market very competitive with presence of a large number of domestic and international brands.

➤ OPPORTUNITIES

- Due to increasing competition and globalization, large varieties and kinds of

electronic products are easily available in the markets thereby resulting in satisfaction of growing customer demands.

- Due to easy availability of component at reasonable rates, products can be provided to customers at reasonable prices.
- Possibility of achieving greater profit margins in this field, leading to business growth of the Company.
- Increasing levels of income, and urbanization.

➤ **KEY DRIVERS IN INDIAN TELE-SHOPPING & E-COMMERCE ARE:**

- Large percentage of population subscribed to broadband Internet, burgeoning 3G internet users, and a recent introduction of 4G across the country.
- Explosive growth of Smartphone users, soon to be world's second largest smartphone userbase.
- Rising standards of living as result of fast decline in poverty rate.
- Availability of much wider product range (including long tail and Direct Imports) compared to what is available at brick and mortar retailers.
- Competitive prices compared to brick and mortar retail driven by disintermediation and reduced inventory and real estate costs.
- Increased usage of online classified sites, with more consumer buying and selling second-hand good

➤ **RISKS & CONCERNS**

- Due to fast changing market & new evolving Technologies obsolescence is a major concern.
- Faster delivery of goods requires proper stocking.
- Currency & Commodity price volatility directly impact on the margins.
- Insufficient and under-developed local supplier base.
- Hike in excise Duty and other duties.
- High cost of capital and other manufacturing

costs due to frequently revised energy sufficient requirements.

➤ **OUTLOOK**

The company is expanding its business activities and is putting continuous efforts to attain further efficiencies. Electronic products are penetrating new industrial markets thereby offering further opportunities to electronic components and assembly manufacturers. The growing role of electronics will predominantly help our Company to flourish lucratively in its new expansion plans. Further, the Company is confident that in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Company and hope to improve its turnover.

➤ **INTERNAL CONTROLS SYSTEMS AND ADEQUACY**

The Company's internal audit systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

Moreover, the Company has appointed M/s. **Lalit Bajaj & Associates**, Chartered Accountants (Firm Registration no. 117758W), Chartered Accountants, Mumbai, as its Internal Auditors and they periodically test the efficacy of the prevailing internal control systems submitted their report to the Audit Committee.

➤ **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the year under review, profits have grown due to operational efficiency brought about through better utilisation of available resources and proper implementation of business strategies.

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

There can be no substitute for the work-force of the company, which has been the main reason for achieving the performance of these levels. The company expects to continue to get their unflinching support in future also. During the year under review, industrial relations have generally remained healthy, cordial and harmonious.

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
(Formerly known as Pearl Electronics Limited)

Sd/-
Krishan Khadaria
Director
DIN: 00219096

Sd/-
Manoj Bhatia
Director
DIN: 01953191

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: August 13, 2016

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

104, MAHAVIR BUILDING, 44/46, POPATWADI LANE, KALBADEVI, MUMBAI-2.
Telephone: 22075834, 22075835, Mobile: 9869035834, email: shivharijalancs@gmail.com

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016
[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 31.03.2016 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 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 w.e.f. 24.08.2015.

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the period under review)
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;/ Securities and exchange board of India (Share based employee benefits) Regulations, 2014 (Not applicable to the company during the period under review)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the period under review)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the period under review).
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the period under review)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (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 following:

- (i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India w.e.f. 01.07.2015;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Listing Obligations and Disclosure Requirements Regulations 2015 w.e.f. 01.12.2015.

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

1. The company has not complied with the provision of Section 93 of the Companies Act, 2013 w.r.t non filing of MGT-10 with respect to change in number of shares held by top ten shareholders of the company.
2. The company has not complied the provision of section 186 (3) of the Companies Act, 2013 in respect of prior approval of shareholders. However subsequently the company has obtained approval of shareholders at AGM held on 30.09.2015 and thereafter through postal ballot on 16.01.2016. Further the company has not charged interest pursuant to provision of section 186 (7) of the Companies Act, 2013 on loan given which are doubtful of recovery.
3. The company has made delay in filing certain e-forms on MCA site however these e-forms are filed after 30 days with additional filing fees.
4. The company has obtained approval of shareholders under provisions of section 188 of the Companies Act, 2013 and clause 49(VII) of the Listing agreement in respect of related party transactions at AGM held on 30.09.2015.
5. The acknowledgement copy pursuant to clause 41(III)(a) of the Listing agreement in respect of prior intimations to stock exchange about the meeting of Board of Directors held on 30.05.2015 was not available for verification.
6. The company has not complied the prescribed time limit as specified in clause 41(I)(f) of listing agreement in respect of submission of outcome of financial results for quarter ended 31.03.2015.

7. The company has not complied the prescribed time limit as specified in clause 41(VI)(a) of listing agreement and Regulation 47(3) of LODR Regulations in respect of Advertisements in Newspapers for the year quarter ended 31.03.2015, 30.06.2015, 30.09.2015 and 31.03.2016 as applicable.

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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views 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's securities are suspended for trading w.e.f. 27.08.2015 vide BSE letter dated 24.08.2015.

Place: Mumbai

Date: 12.08.2016

**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.

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

104, MAHAVIR BUILDING, 44/46, POPATWADI LANE, KALBADEVI, MUMBAI-2.
Telephone: 22075834, 22075835, Mobile: 9869035834, email: shivharijalancs@gmail.com

'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 - 400 058.

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: 12.08.2016

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

ANNEXURE IV

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended March 31, 2015

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

I. REGISTRATION AND OTHER DETAIL

i) CIN:-	L72300MH2011PLC221448
ii) Registration Date	August 30, 2011
iii) Name of the Company	Mystic Electronics Limited (Formerly known as Pearl Electronics Limited)
iv) Category / Sub-Category of the Company	Company Limited by shares Indian Non-Goernment Company
v) Address of the Registered office and contact details	401/A, Pearl Arcade, Opp P.K. Jewellers, Dawood Baug Lane, Off. J.P. Road, Andheri (W), Mumbai- 400058 Tel: 022-6778155 / 26783178 / 26797780 Website: www.mystic-electronics.com
vi) Whether listed company Yes / No	Yes listed with Bombay Stock Exchange
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PRIVATE LIMITED E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072. Tel: 022-4043 0200 Email id.: investor@bigshare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S I. No.	Name and Description of main products / services	NIC Code of the Product / service	% to the turnover of the Company
1	Sale of Products and Services	52	80.02%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable

S I. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Note: The Shareholders through Postal Ballot dated January 16, 2016 had approved the consolidation of each equity share of nominal value of Re. 1/- (Rupees One Only) to Rs. 10/- (Rs. Ten Only) per share fully paid-up. The record date for the consolidation was February 09, 2016. The number of shares for the period prior to February 09, 2016 (record date) reflects the effect of consolidation.

(i) Category-wise Share Holding

Category of Shareholders	No. Shares held at the beginning of the year				No. Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individuals/ HUF	11480640	-	11480640	5.81	1148064	-	1148064	5.81	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Bodies Corp-	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	19357410	-	19357410	9.79	1935741	-	1935741	9.79	-
SubTotal (A) (1)	30838050	-	30838050	15.60	3083805	-	3083805	15.60	-
(2) Foreign									
NRIs-Individuals	-	-	-	-	-	-	-	-	-
Other -Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
SubTotal(A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	30838050	-	30838050	15.60	3083805	-	3083805	15.60	-
B. Public Shareholding									
1. Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Central Govt-	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	47459387	47090	47506477	24.03	5154007	4709	5158716	26.10	2.07
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	3108469	835210	3943679	2.00	328539	83112	411651	2.08	0.08
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	50434733	60672820	111107553	56.21	5035903	6067282	11103185	56.17	-0.04

Category of Shareholders	No. Shares held at the beginning of the year				No. Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) Others (Specify)	-	-	-	-	-	-	-	-	-
i) Trusts	-	-	-	-	-	-	-	-	-
ii) Clearing Member	4263981	-	4263981	2.16	8402	-	8402	0.04	-2.12
iii) Directors Relatives	-	-	-	-	-	-	-	-	-
iv) Employee	-	-	-	-	-	-	-	-	-
v) NRI	1050	1690	2740	0.00	320	160	159	0.00	
vi) Overseas Bodies Corporates	-	-	-	-	-	-	-	-	-
vii) Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
Sub Total (B)(2)	105267620	61556810	166824430	84.40	10527171	6155272	16682443	84.40	
Total Public Shareholding (B)=(B)(1)+(B)(2)	105267620	61556810	166824430	84.40	10527171	6155272	16682443	84.40	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	136105670	61556810	197662480	100.00	13610976	6155272	19766248	100.00	-

(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 shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Navyug Telefilms Private Limited	7599060	3.84	-	759906	3.84	-	0.00
2.	Krishan Khadaria	7260700	3.67	-	726070	3.67	-	0.00
3.	Golden Medows Export Pvt. Ltd.	5111100	2.59	-	511110	2.59	-	0.00
4.	Asha Khadaria	4137610	2.09	-	413761	2.09	-	0.00
5.	Attribute Shares & Securities Pvt. Ltd.	3729130	1.89	-	372913	1.89	-	0.00
6.	Mumbadevi Finance & Investment Company Pvt. Ltd.	2158020	1.09	-	215802	1.09	-	0.00
7.	Forever Flourshing Finance & Investment Pvt. Ltd.	438150	0.22	-	43815	0.22	-	0.00
8.	Kashish Multi Trade Pvt. Ltd.	321950	0.16	-	32195	0.16	-	0.00
9.	Mohit Khadaria	39750	0.02	-	3975	0.02	-	0.00
10.	Sushila Devi Raghunath Prasad Khadaria	28390	0.01	-	2839	0.01	-	0.00
11.	Mohini Krishan Khadaria	14190	0.01	-	1419	0.01	-	0.00
		30838050	15.60	-	3083805	15.60	-	0.00

(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. The number of shares for the period prior to February 09, 2016 (record date) reflects the effect of consolidation.

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	7599060	3.84	759906	3.84
2.	Krishan Khadaria	7260700	3.67	726070	3.67
3.	Golden Medows Export Private Limited	5111100	2.59	511110	2.59
4.	Asha Khadaria	4137610	2.09	413761	2.09
5.	Attribute Shares and Securities Pvt. Ltd	3729130	1.89	372913	1.89
6.	Mumbadevi Finance & Investment Company Pvt. Ltd.	2158020	1.09	215802	0.98
7.	Forever Flourishing Finance & Investment Pvt. Ltd	438150	0.22	43815	0.22
8.	Kashish Multi Trade Private Limited	321950	0.16	32195	0.16
9.	Mohit Khadaria	39750	0.02	3975	0.02
10.	Sushila Devi Raghunath Prasad Khadaria	28390	0.01	2839	0.01
11.	Mohini Krishan Khadaria	14190	0.01	1419	0.01

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

Sl. No.	Top Ten Shareholders	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.	SANJAY SINGAL-HUF At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	10000000 0	5.06 0	10000000 1000000	5.06 5.06
2.	SANJAY SINGAL At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	10000000 0	5.06 0	10000000 1000000	5.06 5.06
3.	AARTI SINGAL At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	10000000 0	5.06 0	10000000 1000000	5.06 5.06
4.	OCTOPUS INFOTEL PRIVATE LTD. At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	4921950 0	2.49 0	4921950 492195	2.49 2.49

Sl. No.	Top Twenty Shareholders	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
5.	BAGRI CONSULTANCY AND SERVICES PRIVATE LIMITED				
	At the beginning of the year	1414701	0.72		
	increase/ decrease in shareholding during the year				
	15.05.2015	100	0.72	1414701	0.72
	22.05.2015	3301979	2.39	1414801	1.44
	At the end of the year			4716780	2.39
				471677	2.39
6.	PRAVEEN KUMAR AGARWAL				
	At the beginning of the year	2839500	1.44		
	increase/ decrease in shareholding during the year	0	0	2839500	1.44
	At the end of the year			283950	1.44
7.	RAJKUMAR GULAB BADGUJAR				
	At the beginning of the year	2500000	1.26		
	increase/ decrease in shareholding during the year	0	0	2500000	1.26
	At the end of the year			250000	1.26
8.	SHREE NARAYAN AGARWAL				
	At the beginning of the year	2500000	1.26		
	increase/ decrease in shareholding during the year	0	0	2500000	1.26
	At the end of the year			250000	1.26
9.	PRADEEP KUMAR				
	At the beginning of the year	2500000	1.26		
	increase/ decrease in shareholding during the year	0	0	2500000	1.26
	At the end of the year			250000	1.26
10.	MANISH UPPAL				
	At the beginning of the year	2500000	1.26		
	increase/ decrease in shareholding during the year	0	0	2500000	1.26
	At the end of the year			250000	1.26

(v) Shareholding of Directors and Key Managerial Personnel

Note: During the year under review, no change has occurred in the Shareholding of Directors and Key Managerial Personnel. The number of shares for the period prior to February 09, 2016 (record date) reflects the effect of consolidation.

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 increase/ decrease in shareholding during the year At the end of the year	7260700 0	3.67 0	7260700 726070	3.67 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	- -	- -	- -	- -
4.	Ms. Madhumati Gawade, Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	- -	- -	- -	- -
5.	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	2550 0	0.00 0	2550 255	0.00 255
6.	Ms. Parvati Nirban, Manager At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	- -	- -	- -	- -
7.	Miss Disha Jain, Company Secretary At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	- -	- -	- -	- -

(V) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loan	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	-	0	-	-
ii) Interest due but not paid	-	0	-	-
iii) Interest accrued but not due	-	0	-	-
Total (i+ii+iii)	-	0	-	-
Change in Indebtedness during the financial year				
■ - Addition	-	1544939	-	-
■ + Reduction	-	0	-	-
Net Change	-	1544939	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	1500000	-	-
ii) Interest due but not paid	-	44939	-	-
iii) Interest accrued but not due	-	0	-	-
Total (i+ii+iii)	-	1544939	-	-

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

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Manager	Total Amount
		Parvati Nirban	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.40	2.40
	(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.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission	--	--
	- as % of profit		
	- others, specify...		--
	Others, please specify	0.05	0.05
	Total (A)	2.45	2.45
	Ceiling as per the Act		

B. REMUNERATION TO OTHER DIRECTORS:**1. Independent Directors:**

Particulars of Remuneration	Name of Directors		Total Amount
	Mr. Tarun Keram	Mr. Manoj Bhatia	
Fee for attending board / committee meetings	5000	5000	10000
Commission	--	--	--
Others	--	--	--
Total	--	--	10000

2. Other Non Executive Directors:

Particulars of Remuneration	Name of Directors		Total Amount
	Mr. Krishan Khadaria	Mrs. Madhumati Gawde	
Fee for attending board / committee meetings	5000	5000	10000
Commission	--	--	--
Others	--	--	--
Total	--	--	10000

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	3.90	8.40	12.30
	(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.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify	--	--	--
	Total	3.90	8.40	12.30

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty/ Punishment / compounding fees imposed	Authority [RD / NCLT /COURT	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

CORPORATE GOVERNANCE REPORT

Transparency and accountability are the two basic tenets of Corporate Governance. At Mystic Electronics Limited (Formerly known as Pearl Electronics Limited), we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Pursuant to Regulation 34 of the listing regulation, given below is the Corporate Governance Report of the Company for the financial year end 31st March, 2016:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company believes that good Corporate Governance is essential for achieving long-term corporate goals and for enhancing stakeholders' value. The Company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. In this pursuit, your Company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. The Company aims to increase and sustain its corporate values through growth and innovation.

We at Mystic Electronics Limited are committed to good corporate governance and its adherence to the best practices of true spirits at all times.

2. BOARD OF DIRECTORS

Size and Composition of the Board

The Company's Board of Directors ('the Board') is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties so as to provide appropriate directions with regard to leadership, vision, strategy, policies, monitoring, supervision, accountability to shareholders and to achieve greater levels of performance on a sustained basis as well as adherence to the best practices of Corporate Governance.

The composition of the Board and other provisions as to Board and Committees are in compliance with the Listing Regulations. The Independent Directors of the Company fulfil the criteria for "independence" and / or "eligibility" as prescribed under the Listing Regulations and Section 149 of the Companies Act, 2013 (the Act). As on 31st March, 2016, the strength of the Board was 4(four) Directors of which all are non-executive directors and among them 2(two) are independent directors.

The composition of the Board of Directors as on 31st March, 2016, the number of other Board of Directors or Board Committees of which a director is a Member/Chairperson and the attendance of each director at the Board meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name of Director	Category of Directorship	Attendance		Other Board Representations		
		Board Meeting	Last AGM	Directorships in Public Companies including this company	Committees* Membership	Committees* Chairmanship
Mr. Krishan Khadaria	Non-executive and Promoter	11	Yes	4	5	0
Ms. Madhumati Gawade	Non-Executive and Independent	11	Yes	3	1	0
Mr. Manoj Bhatia	Non-executive and Independent	12	Yes	4	1	5
Mr. Tarun Keram	Non-executive and Independent	11	Yes	1	2	0

* Chairmanships/ Memberships Committee only include Audit Committee and Stakeholders Relationship Committee.

None of the Directors on the Board is a member in more than 10 (ten) Committees and Chairman of more than 5 (five) Committees across all the public companies in which he/she is a Director. The Independent Directors of the Company do not serve in more than the prescribed number of companies as independent directors in terms of the requirements of the Listing Regulations.

Board Meeting held during the financial year ended 31st March, 2016

During the year under review, the Board met 12(Twelve) times i.e. on 28th April, 2015, 15th May, 2015, 30th May, 2015, 14th July, 2015, 14th August, 2015, 17th August, 2015, 28th August, 2015, 14th November, 2015, 09th December, 2015, 23rd January, 2016, 13th February, 2016 & 24th March, 2016. The interval between two Board meetings was well within the maximum period mentioned under Section 173 of the Act and the Listing Regulation.

No. of shares held by Non-executive directors & Disclosure of relationship between director's inter-se

Except for Mr. Krishan Khadaria- Non-Executive Director of the Company who holds 726070 Equity shares of the Company, none of the other Non-executive Directors held any equity shares or convertible instruments of the Company during the financial year ended 31st March, 2016. Furthermore, none of the Directors had any relationships inter-se.

Familiarisation Programme

In terms of Regulation 25 of the Listing Regulations, the Company periodically organizes presentation on business and performance, long term strategy, initiatives and risks involved 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>

Independent Directors' Separate Meeting

Schedule IV to the Act and the Listing Regulations mandates the Independent Directors of the Company to hold atleast one meeting in a year, without the attendance of non-independent directors and members of the management. During the year financial year ended 31st March, 2016, the Independent Directors met on 09th December, 2015, inter alia, to review performance of Non-Independent Directors & the Board as a whole and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

3. 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

The Composition of Committee meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Audit Committee of the Company as on 31st March, 2016 comprised of 3 (Three) members all being Non-Executive Directors, out of three members 2 (Two) are Non-Executive Independent Directors and 1(One) is Non-Executive Director.

Audit Committee Meeting held during the financial year ended 31st March, 2016

During the year under review, the audit committee met 4 times: (i) 30th May, 2015 (ii) 14th August, 2015 (iii) 13th November, 2015 and (iv) 13th February, 2016. The meetings were scheduled well in advance and the time gap between any two meetings did not exceed more than four months.

The Composition and the attendance of the members of the Audit Committee are as follows:

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

Terms of Reference

➤ **Financials**

- 1) Review of the quarterly/half-yearly/annual financial statements with reference to changes, if any in accounting policies and reasons for the same.
- 2) Major accounting entries involving estimates based on exercise of judgment by management, adjustments, if any arising out of audit findings.
- 3) Compliance with listing and legal requirements relating to financial statements, qualifications, if any in the draft audit report.

➤ **Internal Controls and Risk Management**

- 1) Review of internal audit function and discussion on internal audit reports
- 2) Review of vigil mechanism and above all adequacy of internal control systems.
- 3) Review of risk management policies especially enterprise level risk management.

➤ **Compliance and Other Related Aspects**

- 1) Disclosure of related party transactions and subsequent modifications, if any.
- 2) Scrutiny of inter-corporate loans and investments.
- 3) Valuation of undertakings or assets of the company.
- 4) Uses/application of funds raised through an issue.
- 5) Review and recommendation of appointment, remuneration and terms of appointment of statutory auditors.
- 6) Review of other services rendered by the statutory auditors.
- 7) Review of the management discussion and analysis of the financial conditions and results of operations, significant related party transactions, management letters issued by statutory auditors, internal audit reports.

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Listing Regulation and provisions of Section 177 of the Companies Act, 2013.

4. NOMINATION & REMUNERATION COMMITTEE

Pursuant to Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013 the Company has constituted a Nomination and Remuneration Committee.

Composition & Attendance of the Committee

The Composition of Committee meets with requirements of the Companies Act, 2013 and Listing Regulations.

The Nomination & Remuneration Committee of the Company as on 31st March, 2016 comprised of 3 (Three) members all being Non-Executive Directors, out of three members 2 (Two) are Non-Executive Independent Directors and 1 (One) is Non-Executive Director.

During the year under review the members of the Nomination & Remuneration Committee met only once i.e. on 23rd January, 2016. The Composition and the attendance of the members of the Nomination & Remuneration Committee are as follows:

Name	Category	Position	No. of Meetings Attended
Mr. Tarun Keram	Non-executive Independent Director	Chairman	1 of 1
Mr. Krishan Khadaria	Non-executive Director	Member	1 of 1
Mr. Manoj Bhatia	Non-executive Independent Director	Member	1 of 1

The Chairman of the Nomination & Remuneration Committee was present at the last Annual General Meeting of the Company to answer the queries of the shareholders.

Terms of Reference

The Board has framed the Nomination & Remuneration Committee Charter which ensures effective compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Board has clearly defined the terms of reference for the Nomination & Remuneration Committee, which is as follows:

- Formulate Remuneration Policy and a policy on Board Diversity.
- Formulate criteria for evaluation of Directors and the Board.
- To ensure that the Remuneration Policy shall also include the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Performance Evaluation of Directors

The Nomination & Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

The criteria for performance evaluation are as follows:

➤ **Role & Accountability**

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.

- Application of knowledge for rendering advice to management for resolution of business issues.
 - Offer constructive challenge to management strategies and proposals.
 - Active engagement with the management and attentiveness to progress of decisions taken.
- **Objectivity**
- Non-partisan appraisal of issues.
 - Own recommendations given professionally without tending to majority or popular views.
- **Leadership & Initiative**
- Heading Board Sub-committees.
 - Driving any function or identified initiative based on domain knowledge and experience.
- **Personal Attributes**
- Commitment to role & fiduciary responsibilities as a Board member.
 - Attendance and active participation.
 - Proactive, strategic and lateral thinking.

The Directors expressed their satisfaction with the evaluation process.

5. **REMUNERATION OF DIRECTORS**

Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors other than payment of sitting fees to them for their invaluable services to the Company.

Sitting fees to Non-Executive Directors

In order to retain seasoned professional on the board & to receive their valuable guidance, the Non-Executive Directors are paid remuneration by way of sitting fees for the last AGM attended by them. The total amount of sitting fees paid during the Financial Year under review was Rs. 5,000/- to each director. Apart, from the sitting fees paid, the directors are not in receipt of any remuneration/ bonuses/ESOP or any other benefits.

The Remuneration Policy is attached as "**ANNEXURE VIII**" to this Report and is also available on the Company's website www.mystic-electronics.com.

6. **STAKEHOLDERS' GRIEVANCE COMMITTEE**

The Stakeholders Relationship Committee considers and resolves grievance of security holders of the Company. The Stakeholders Relationship Committee also oversees the redressal of the shareholders' and investors' grievances in relation to transfer/transmission of shares, non- receipt of annual report, issue of duplicate share-certificate among others.

Composition & Attendance of the Committee

The Stakeholders Relationship Committee of the Company as on 31st March, 2016 comprised of 3 (Three) members all being Non-Executive Directors, out of three members 2 (Two) are Non-Executive Independent Directors and 1(One) is Non-Executive Director. During the year under review the members of the Stakeholders Relationship Committee met four times i.e. on 15th May, 2015, 03rd July, 2015, 13th November, 2015 & 13th February, 2016.

The details composition & attendance of the members of the Stakeholders Relationship Committee are as follows:

Name	Category	Position	No. of Meetings Attended
Mr. Manoj Bhatia	Non-executive Independent Director	Chairman	4 of 4
Mr. Krishan Khadaria	Non-executive Director	Member	3 of 4
Mr. Tarun Keram	Non-executive Independent Director	Member	4 of 4

Compliance Officer

The Board has designated Ms. Disha Jain, Company Secretary as the Compliance Officer.

Complaints / Queries received from Shareholders

During the year under review, the Company has received one complaint which were suitably replied/dispensed off and other telephonic queries were satisfactorily answered and were redressed to satisfaction of the complainants. There were NO outstanding complaints as on 31st March, 2016.

7. GENERAL BODY MEETINGS

A. The details of the last three Annual General Meetings are given below:

Accounting Year	Date	Location	Time	Special Resolution passed
2012-2013	30.09.2013 Monday	Conference Room, Axis Bank, Springfield's, Lokhandwala Complex, Andheri (West), Mumbai - 400 053	11.00 am	None
2013-2014	30.09.2014 Tuesday	The Classique Club, Emerald Hall, Near Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053	11:00 am	None
2014-2015	30.09.2015 Wednesday	Conference Room, Axis Bank, Springfield's, Lokhandwala Complex, Andheri (West), Mumbai - 400 053 11:00 am		(i) Appointment of M/s. Bansal Bansal & Co., Chartered Accountants (Firm Regn. No. 100986W), as Statutory Auditors of the Company in place of M/s. CPM & Associates, Chartered Accountants (Firm Registration No. 114923W). (ii) To approve Existing Material Related Party Contracts and Arrangements under Clause 49 of the Equity Listing Agreement. (iii) To approve transactions with related parties under section 188 of the Companies act, 2013 and clause 49 of the Equity Listing Agreement. (iv) Authority to the Board to borrow money under Section 180(1) (c) of the Companies Act, 2013. (v) Authority to the Board to investment limit up to Rs. 100 Crores and in this regard to consider and if thought fit, to pass, with or without modification

B. Details of Resolution passed through Postal Ballot:

During the year ended 31st March, 2016, the Company has passed the following Special Business through Postal Ballot (including e-voting), conducted in accordance with the provisions of Sections 108 and 110 and other applicable provisions of the Act read together with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014:

Special Resolution Passed:

- (i) Consolidation of the Authorized Share Capital and alteration of the Capital Clause of the Memorandum of Association of the Company as per the Companies Act, 2013.
- (ii) To change the name of the Company from "Pearl Electronics Limited" to "Mystic Electronics Limited" under the Companies Act, 2013.
- (iii) Adoption of new set of Articles of Association of the Company pursuant to the provisions of Companies Act, 2013.
- (iv) To make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013.

The Board had appointed Mr. Arvind Dhanraj Baid, Practising Chartered Accountant, as the Scrutinizer for conducting the postal ballot/e-voting process in a fair and transparent manner. On the basis of the Scrutinizer's Report, the below are the Voting results of the Postal Ballot (declared on 16th January, 2016):

Item	No. of Votes Casted in Favour	No. of Votes Casted in Against	% of Votes in Favour	% of Votes in Against	Resolution Passed/ Defeated
Consolidation of the Authorized Share Capital and alteration of the Capital Clause of the Memorandum of Association of the Company as per the Companies Act, 2013.	45728720	0	100%	0	Passed
To change the name of the Company from "Pearl Electronics Limited" to "Mystic Electronics Limited" under the Companies Act, 2013.	45728720	0	100%	0	Passed
Adoption of new set of Articles of Association of the Company pursuant to the provisions of Companies Act, 2013.	45728720	0	100%	0	Passed
To make loans or investments and to give guarantees or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013.	14890670	0	100%	0	Passed

No special resolution is proposed to be conducted through Postal Ballot at the forthcoming 5th AGM of the Company.

8. 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 Agreements / Listing Regulations.
Newspapers in which results are generally published	The Asian Age and Mahanayak, regional daily newspapers.
Website, where displayed	www.electronics.mystic.com

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.
E-mail id for investor grievance	electronics.mystic@gmail.com

9. GENERAL SHAREHOLDER INFORMATION

a. 5th Annual General Meeting Day, Date & Time Venue	Monday, 19th September, 2016 at 11:30 AM at Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall, Oshiwara, Andher i(W), Mumbai - 400 058.
b. Financial Year	1st April - 31st March
c. Date of Book Closure	Monday, 12th September, 2016- Monday, 19th September, 2016 (Both days inclusive)
d. Dividend payment date	N.A.
e. Financial Year Calendar for 2016-2017	Results for the Quarter ended 30th June, 2016- Second week of August, 2016 Results for the Quarter ended 30th September, 2016- Second week of November, 2016 Results for the Quarter ended 31st December, 2016- Second week of February, 2017 Results for the Quarter ended March 31, 2017 - Before end of May, 2017 Audited Results.
f. Listing on Stock Exchanges	Bombay Stock Exchange Limited, (BSE Ltd), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023.
g. Stock Code	BSE Ltd- 535205
h. International Securities Identification Number	ISIN- INE159O01025
i. Annual Listing Fee	Annual listing fee for the financial year 2016-17 paid to the Stock Exchanges.
j. Registrar and Share Transfer Agent	BIGSHARE SERVICES PVT. LTD. E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai - 400 072 Tel. No.: 022-28470652 Email id.: investor@bigshare.com
k. Corporate Identification Number	L72300MH2011PLC221448
l. Outstanding GDR/ADR/Warrants Or any Convertible Instruments, Conversion Dates and likely impact on equity:	Not Applicable.

10. 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 (formerly known as Shareholders and Investors Grievance 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. All requests for dematerialization of shares are processed and confirmation thereof is sent to the shareholders within 7 to 15 days of the receipt thereof.

As per the requirement of clause 47(c)/ Regulation 40(9) of the listing agreement/ SEBI listing regulations, 2015, company has regularly obtained the necessary certificate from a company secretary in practice and submitted the same to BSE Limited on half-yearly basis, confirming due compliance of share transfer related activities by the Company.

11. STOCK MARKET PRICE ON BSE

The High/Low of the market price of the Company's equity shares traded on the Bombay Stock Exchange Limited during the financial year ended 31st March, 2016 are as follows:

Share Price (Rs.)

Month	High	Low	Close
April 2015	8.73	7.84	7.84
May 2015	7.84	6.68	6.68
June 2015	6.35	5.46	5.46
July 2015	9.03	5.73	9.03
August 2015	14.45	9.45	13.96
September 2015*			
October 2015*			

* Note: The scrip of the Company has been suspended from trading at the said Exchange w.e.f. August 27, 2015 by order passed by Managing Director & Chief Executive Officer of BSE limited for Surveillance & Supervision purpose.

12. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016

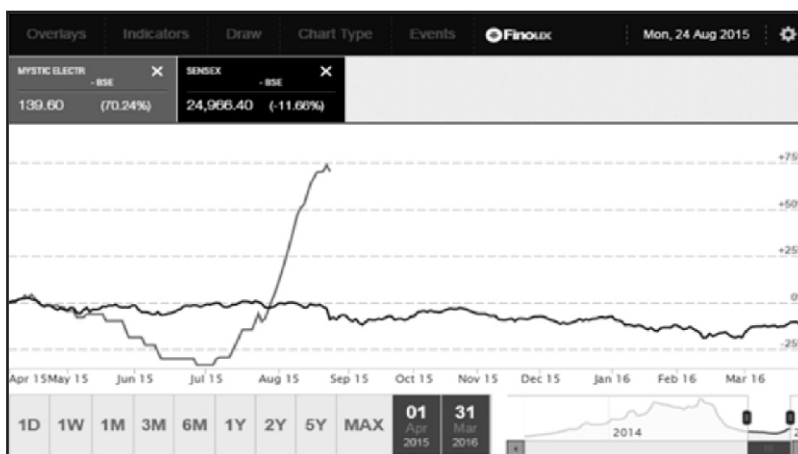
	CATEGORY	Nos. of Equity Shares	TOTAL %
A	Promoters Holding		
1	Indian Promoters	3083805	15.60
2	Foreign Promoters	0	0.00
	SUB TOTAL (A)	3034935	15.60
B.	Public Shareholding		
1.	Institutional Investors	0	0.00
2.	Non-Institutional Investors		
	Bodies Corporate	6120579	30.96
	Individuals:		
	Having Nominal Share Capital up to Rs. 2 Lakh	707411	3.58
	Having Nominal Share Capital in excess of Rs. 2 Lakh	10807425	54.68
	Clearing Member	8402	0.043
	Non Resident Indians	489	0.00
	SUBTOTAL (B)	16682443	84.40
	TOTAL (A+B)	19766248	100.00

13. DISTRIBUTION SCHEDULE OF SHAREHOLDING AS ON 31st MARCH, 2016

Range (in Rs.)	Total Shareholders	% of Total Shareholders	Total Holding in Rupees	% of Total Capital
1 to 5000	1003	67.45	824040	0.38
5001 - 10000	53	3.56	359750	0.17
10001 - 20000	63	4.24	886780	0.41
20001 - 30000	44	2.96	1174120	0.54
30001 - 40000	19	1.28	686640	0.32
40001 - 50000	17	1.14	791720	0.37
50001 - 100000	76	5.11	5852870	2.70
100001 and above	212	14.26	206241790	95.11
TOTAL	1487	100	216817710	100.00

14. DEMATERIALIZATION OF SHARES AS ON 31st MARCH, 2016

From	No. of Shares	% of Total
Held in dematerialized form in CDSL	8665092	43.84
Held in dematerialized form in NSDL	4945884	25.02
Physical	6155272	31.14
Total	19766248	100.00

15. PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES

16. PLANT LOCATION: *The Company does not have any manufacturing facility.*

17. ADDRESS FOR INVESTORS CORRESPONDENCE

Shareholders should address their correspondence to the Company's Registrar & Transfer Agents at the following address:

Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East),
Mumbai - 400 072
Tel. No.: 022-28470652
Email id.: investor@bigshare.com

For any other general matters or in case of any difficulties/ grievances, Shareholders may also contact Ms. Disha Jain, Company Secretary at the Registered Office of the Company situated at: **401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane, Off J. P. Road, Andheri (West), Mumbai - 400 058**

Tel. No.: 26778155 / 26797750 / 32459097

Email id.: electronics.mystic@gmail.com

18. DISCLOSURES

a. Related Party Transactions

There were no materially significant transactions with the related parties, during the year, which were in conflict with the interests of the Company. Transactions with the related parties are disclosed in Notes to the Annual Accounts.

The policy on Related Party Transactions is displayed on the website of the Company under the web link: <http://www.mystic-electronics.com/investors.html>

- b. During the last three years, the Company has paid penalty of Rs. 6,741/- for late submission of Clause 49 of Listing Agreement for the Quarter ended December, 2014. Further, we state that during the year 2015-2016 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 penalties imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

c. Vigil Mechanism & Whistle Blower Policy

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/ employee have denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link <http://www.mystic-electronics.com/investors.html> and circulated to all the Directors/employees.

- d. The Company has complied with all applicable mandatory requirements in terms of Listing Agreement/SEBI Listing Regulations and the status of non-mandatory (discretionary) requirements is given below:

- The Company doesn't bear any expenses of the Non-Executive Chairman's Office.
- The Financial Statements are free from any Audit Qualifications.
- The Internal Auditors of the Company report directly to the Audit Committee.

e. The Company has No Subsidiary Company.

f. Disclosure of Accounting Treatment

Your Company has not adopted any alternative accounting treatment prescribed differently from the Accounting Standards issued by The Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied have been set out in the Notes to the financial statements.

g. Code of Conduct

The Company's Code of Conduct had been complied by all the members of the Board and designated employees of the Company. The Company has in place a prevention of Insider Trading Code based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information. The Code of Conduct is available on the website of the Company. The Board Members have affirmed compliance with the said Code in terms of the Listing Regulations. A declaration to this effect for the financial year 2015-16 from the Directors of the Company is annexed as "ANNEXURE V" to this Report.

h. 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 as "ANNEXURE VII" herewith.

19. RISK MANAGEMENT COMMITTEE

Company's Risk Management Committee constitutes of Mr. Krishan Khadaria as the Chairman and Mr. Manoj Bhatia and Mr. Tarun Keram as the members of the Committee.

The role of Risk Management Committee is as follows:

- Identifies potential risks associated with the Company's business
- Implementation of Risk Management Systems and Framework;
- Reviewing the Company's financial and risk management policies;
- Assessing risk and minimizing the procedures;
- Framing, implementing and monitoring the risk management plan for the Company.

**By and on behalf of the Board
for Mystic Electronics Limited**
(Formerly known as Pearl Electronics Limited)

**Sd/-
Krishan Khadaria
Director
DIN: 00219096**

**Sd/-
Manoj Bhatia
Director
DIN: 01953191**

Place: Mumbai
Date: 13th August, 2016

ANNEXURE V

DECLARATION ON ADHERENCE TO THE CODE OF CONDUCT

This is to confirm that the Company has adopted the Code of Conduct for its Board Members and Senior Management Personnel and the same is available on the website of the Company.

The Board of Directors and Senior Management Personnel of the Company have affirmed their compliance with the said Code. It is hereby declared that the Company has obtained from all the Board Members and Senior Management Personnel affirmation that they have complied with the said Code for the financial year 2015 -2016.

**By and on behalf of the Board
for Mystic Electronics Limited**
(Formerly known as Pearl Electronics Limited)

**Sd/-
Krishan Khadaria
Director
DIN: 00219096**

**Sd/-
Manoj Bhatia
Director
DIN: 01953191**

Place: Mumbai
Date: 13th August, 2016

ANNEXURE VI

CHIEF EXECUTIVE OFFICER (CEO) / MANAGER AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
**The Board of Directors,
Mystic Electronics Limited**
(Formerly known as Pearl Electronics Ltd)

Dear Sir(s)/ Ma'am,

We **Parvati Nirban (Manager) and Rajesh Agrawal (Chief Financial Officer) of Mystic Electronics Limited**, to the best of our knowledge, information and belief, certify that:

- A. We have reviewed the financial statements for the year ended 31st March, 2016 and that to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, no transactions were entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee
1. there has been no significant change in internal control over financial reporting during the year;
 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
 3. there has been no instance of significant fraud of which we have become aware and the involvement therein of the manage mentor an employee having a significant role in the Company's internal control systems over financial reporting.

**By and on behalf of the Board
for Mystic Electronics Limited**
(Formerly known as Pearl Electronics Limited)

**Sd/-
Parvati Nirban
Manager**

**Sd/-
Rajesh Agrawal
CFO**

Place: Mumbai
Date: 13th August, 2016

ANNEXURE VII

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Mystic Electronics Limited..

We have examined the compliance of conditions of Corporate Governance by **Mystic Electronics Limited** for the year ended on 31st March, 2016, as stipulated in Clause 49 of listing agreement of the said Company with Stock Exchanges for the period 1st April, 2015 to 30th November, 2015 and the relevant provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st December, 2015 to 31st March, 2016 .

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the Stakeholders Relationship Committee.

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

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

Sd/-
JATIN BANSAL
Partner
M. No.:135399

Place : Mumbai
Date : 13th August, 2016

ANNEXURE VIII

APPOINTMENT AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

1. OBJECTIVE:

We design our Remuneration Policy to attract, motivate and retain the Directors, KMP and other employees who are the drivers of organization's success and help us to run the company successfully and to retain our industry competitiveness.

2. POLICY ON BOARD DIVERSITY:

The Board of Directors shall have the optimum combination of Directors including one Woman Director from different areas/fields like production, Technology management, Finance, Sales & marketing, Human Resources, Administration etc or as may be considered appropriate.

The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

2.1 Policy for Appointment and Removal of Director, Senior Management Personnel & KMP:

❖ Selection Criteria for Directors:

The Company shall consider the following aspects while appointing a person as a Director on the Board of the Company:

- i) **Skills and Experience:** The candidate shall have appropriate skills and experience in one or more fields of finance, law, management, sales, marketing, administration, public administrative services, research, corporate governance, technical operations or any other discipline related to the Company's business.
- ii) **Age Limit:** The candidate should have completed the age of twenty-one (21) years and should not have attained the age of seventy (70) years.
- iii) **Directorship:** The number of companies in which the candidate holds Directorship should not exceed the number prescribed under the Companies Act, 2013 or under the Listing Agreement requirements.
- iv) **Independence:** The candidate proposed to be appointed as Independent Director, should not have any direct or indirect material pecuniary relationship with the Company and must satisfy the requirements imposed under the Act or under the Listing Agreement requirements.

The policy provides that while appointing a Director to the Board, due consideration will be given to:

- Approvals of the Board and/or shareholders of the Company in accordance with the Companies Act, 2013 ; and
- The Articles of Association of the Company.

❖ Selection Criteria for Senior Management Personnel & KMP

For the purpose of this policy Senior Management shall mean all the members of management one level below the executive directors, including all functional heads of the Company. The policy provides that the candidate should have appropriate qualifications, functional expertise and experience for discharging the role. The qualifications, skills and experience of each such position shall be defined in the job description, which will be maintained by the Company.

❖ **Removal:**i) **Directors & KMPs:**

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director and KMP subject to the provisions and compliance of the Companies Act, 2013 rules and regulations thereunder.

ii) **Senior Management Personal:**

The Senior Management Personnel shall retire as per the prevailing policy of the Company. The Committee will have the discretion to retain the Senior Manager Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company based on the recommendation of Board of Directors.

3. PERFORMANCE EVALUATION OF DIRECTORS:

The Nomination & Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

3.1 Role & Accountability

- Understanding the nature and role of Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

3.2 Objectivity

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

3.3 Leadership & Initiative

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

3.4 Personal Attributes

- Commitment to role & fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

4. REMUNERATION FOR DIRECTORS, KMP AND OTHER EMPLOYEES:**4.1 Key Principles for determining Remuneration:**

The policy provides that the remuneration of Directors, KMP and other employees shall be based on the following key principles:

- **Pay for performance:** Remuneration of Executive Directors, KMP and other employees is a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal. The remuneration of Non-Executive Directors shall be decided by the Board based on the profits of the Company and industry benchmarks.

- **Balanced rewards to create sustainable value:** The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors and employees of the Company and encourage behavior that is aligned to sustainable value creation.
- **Recognition:** Utilize effective practices that are supported by innovative programs that reinforce our desired culture and make us a special place to work.
- **Annual Performance Linked Enhancement:** Enhancement that recognizes the performance of the resource keeping in view the achievement of organizational goals & Departmental goals.
- **Competitive compensation:** Total target compensation and benefits are comparable to peer companies in the same industry and commensurate to the qualifications and experience of the concerned individual.

4.2 Remuneration:

a. **Remuneration to Managing/Whole-time /Executive -Director**

The NRC shall ensure that the Remuneration/ Compensation/ Commission etc. to be paid to Managing Director(s), C.E.O., Whole-time Directors, Manger, if any are in accordance with the provisions of Chapter XIII (Sections 196 to 203) read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any other enactment for the time being in force and on the recommendation of Committee to the Board for its approval.

b. **Remuneration to Non- Executive / Independent Director:**

The NRC may recommend remuneration / compensation / commission and a suitable sitting fee, to non-executive directors as may be prescribed under the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 subject to ceiling/ limits mentioned therein or any other enactment for the time being in force and on the recommendation of Committee to the Board for its approval.

c. **Remuneration to KMP:**

The Committee will recommend the remuneration to be paid to the KMP to the Board for their approval as per the provisions of the Act/ Policy of the Company. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate Directors or KMPS of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and variable pay reflecting short and long term performance objective appropriate to the working of the Company and its goals.

d. **Remuneration to Senior Management Personnel:**

The Committee will recommend the remuneration to be paid to the Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate senior management of the quality required to run the Company successfully. The same should be reviewed periodically to make any adjustment based on the market. The remuneration of such persons shall be in accordance with performance criteria defined for the role thorough performance management system to achieve the company's goal. The remuneration should be a balance of fixed and incentive pay which will be determined by fixed pay components and executive incentives scheme applicable to their level as and when in place.

5. FAMILIARIZATION PROGRAM

The Management will familiarize the Independent Directors on the following:

- 5.1 Company's History, Structure and the Business Model;
- 5.2 Memorandum & Articles of Association of the Company;
- 5.3 Past 3 (three) years accounts and any important factors in the accounts of the Company;
- 5.4 Interaction with other Directors on the Board and with the Senior Executives of the Company.

6. REVIEW AND AMENDMENT:

- i. The Nomination & Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- ii. The Nomination & Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the Nomination & Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Mystic Electronics Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Mystic Electronics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016; and
- b) in the case of the statement of Profit and Loss of the Profit for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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 Act, we give in the "Annexure A", a statement on

the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the cash flow dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards Section 133 of the Companies Act, 2013, With Rule 7 of Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of clause of Section 164(2) of the Companies Act, 2013;
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the financial position of the company.
- ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
- 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**

**Sd/-
Jatin Bansal
Partner
Membership No.:135399**

**Place : Mumbai
Date : 2nd June, 2016**

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our report to the member of **Mystic Electronics Limited** for the year ended 31st March 2016, we report that :

1. In respect of its Fixed Assets :

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed asset.
- (b) As explained to us, fixed asset have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. In respect of its inventories:

- (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

3. (a) As per the information and explanation given to us, the company has granted unsecured loan to one body corporate covered in the register maintained under section 189 of The Companies Act, 2013.
- (b) In the case of the loan granted to the body corporate listed in the register maintained under section 189 of The Act, the borrower has been regular in the payment of the interest as stipulated. The

terms of arrangement do not stipulate any repayment schedule and the loan is repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the company in respect of repayment of the principal amount.

- (c) The amount is overdue by Rs. 8,93,66,970/- in respect of the loan granted to the body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The company has not accepted any deposits from the public.
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) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the company is generally regular though there are slight delays in depositing the undisputed statutory dues including Income Tax , service tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us, there were some undisputed amounts payable in respect of Income Tax, Service tax, cess and other material statutory dues were in arrears as at 31 March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues payable in respect of income tax, wealth tax, service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.

- (c) As explain to us, the company does not have any dues on account of investor education and protection fund
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. According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
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 the financial statements as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
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 him. Hence, clause (xv) of paragraph 3 of the Order is not applicable.
16. To the best of our knowledge and as explained, 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**

**Sd/-
Jatin Bansal
Partner
Membership No.:135399**

**Place : Mumbai
Date : 2nd June, 2016**

Annexure - B to the Auditors' 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 **M/s. Mystic Electronics Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls 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 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 31 March 2016, 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**

**Sd/-
Jatin Bansal
Partner
Membership No.:135399**

**Place : Mumbai
Date : 2nd June, 2016**

BALANCE SHEET AS AT 31ST MARCH, 2016

Amount in Rs. (₹)

PARTICULARS	NOTE NO.	AS AT 31-03-2016	AS AT 31-03-2015
EQUITY AND LIABILITIES :			
<u>SHARE HOLDER'S FUND :</u>			
Share Capital	2	197,662,480	197,662,480
Reserves & Surplus	3	293,606,377	287,875,985
		491,268,857	485,538,465
<u>CURRENT LIABILITIES :</u>			
Short-term Borrowings	4	1,544,939	-
Trade Payables	5	47,568,855	41,019,136
Other Current Liabilities	6	3,499,007	115,792
Short-term Provisions	7	2,450,735	325,417
		55,063,536	41,460,345
TOTAL		546,332,393	526,998,810
ASSETS :			
<u>NON-CURRENT ASSETS</u>			
Fixed Assets:			
Tangible assets	8	45,088	-
Non-Current Investment	9	44,535,000	44,535,000
Deferred Tax Assets	10	146,606	253,065
Long-term Loans & Advances	11	155,239,101	59,680,151
		199,965,795	104,468,216
<u>CURRENT ASSETS</u>			
Inventories	12	13,870,502	-
Trade receivables	13	58,729,063	73,371,263
Cash & cash equivalent	14	17,707,868	4,041,942
Short-term Loans & Advances	15	256,059,164	345,117,389
		346,366,598	422,530,594
TOTAL		546,332,393	526,998,810
SIGNIFICANT ACCOUNTING POLICY :	1		
NOTES ON FINANCIAL STATEMENTS :	2 TO 28		

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co
Chartered Accountants
FRN : 100986W

For and on behalf of Board of Directors
Mystic Electronics Limited
(Formerly known as Pearl Electronics Limited)

Sd/-
Jatin Bansal
Partner
Membership No : 135399

Sd/-
Krishan Khadaria
Director
DIN : 00219096

Sd/-
Manoj Bhatia
Director
DIN : 01953191

Place : Mumbai
Date : 02/06/2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in Rs. (₹)

PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31-03-2016	FOR THE YEAR ENDED 31-03-2015
INCOME :			
Revenue from operation	16	138,673,873	4,126,400
Other Income	17	34,608,494	12,817,312
Total revenue		173,282,367	16,943,712
EXPENSES :			
Purchases of Stock -in -trade	18	141,594,051	4,081,200
Change in Inventory	19	(13,870,502)	-
Employee Benefits Expenses	20	6,067,794	1,946,048
Finance Cost	21	49,932	-
Depreciation	8	28,112	-
Other Expenses	22	31,125,395	2,222,574
Total expenses		164,994,781	8,249,822
Profit before tax		8,287,586	8,693,890
Tax Expenses			
Current Tax		2,450,735	2,585,600
Deferred Tax		106,459	103,883
		2,557,194	2,689,483
Profit after tax		5,730,392	6,004,407
Earning per share	23		
Basic		0.29	0.03
Diluted		0.29	0.03
SIGNIFICANT ACCOUNTING POLICY	1		
NOTES ON FINANCIAL STATEMENTS	2 TO 28		

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co
Chartered Accountants
FRN : 100986W

For and on behalf of Board of Directors
Mystic Electronics Limited
(Formerly known as Pearl Electronics Limited)

Sd/-
Jatin Bansal
Partner
Membership No : 135399

Sd/-
Krishan Khadaria
Director
DIN :00219096

Sd/-
Manoj Bhatia
Director
DIN :01953191

Place : Mumbai
Date : 02/06/2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Amount in Rs. (₹)

Sr. No.	Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
A.	Cash Flow from Operating Activities:		
	Net profit before tax & extra ordinary items	8,287,586	8,693,890
	Adjustment for:		
	- Depreciation	28,112	-
	- Share Issue Expenses	-	17,971
	- Interest	(12,449,697)	(12,817,312)
	Operating profit before working capital changes	(4,133,999)	(4,105,451)
	Adjustment for :		
	Loans & Advances	(6,500,725)	(136,551,542)
	Trade Receivables	14,642,200	18,954,368
	Inventories	(13,870,502)	-
	Trade Payables	13,603,191	(40,900,828)
	Cash Generated from Operations	7,874,164	(158,498,002)
	Taxes Paid	(3,740,165)	(162,603,453)
		(2,450,735)	(2,585,600)
	Net Cash from Operating activities	1,289,429	(165,189,053)
B.	Cash Flow From Investing Activities:		
	Purchase of Fixed Assets	(73,200)	-
	Interest received	12,449,697	12,817,312
	Investment	-	(17,175,000)
	Net Cash from Investing activities	12,376,497	(4,357,688)
C.	Cash Flow From Financing Activities:		
	Share Issue Expenses	-	(17,971)
	Security Premium Received on issue of shares	-	140,100,800
	Net Cash from Financing activities	-	140,082,829
	Net increase in Cash and Cash Equivalents	13,665,926	(29,463,912)
	Cash & Cash Equivalents (Opening)	4,041,941	33,505,853
	Cash & Cash Equivalents (Closing)	17,707,868	4,041,941

- Note :**
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standard) Rules, 2006.
 - 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 31-03-2016	As at 31-03-2015
Cash in Hand	9,587,647	809,118
Balances with Banks	8,120,221	3,232,824
Total	17,707,868	4,041,942

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

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co
Chartered Accountants
FRN : 100986W

Sd/-
Jatin Bansal
Partner
Membership No : 135399

Place : Mumbai
Date : 02/06/2016

For and on behalf of Board of Directors
Mystic Electronics Limited
(Formerly known as Pearl Electronics Limited)

Sd/-
Krishan Khadaria
Director
DIN : 00219096

Sd/-
Manoj Bhatia
Director
DIN : 01953191

Statement of Significant Accounting Policies adopted by the Company in the preparation of Financial Statements as at and for the year ended March 31, 2016

Note 1: Significant Accounting Policies

1. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted Accounting Standards as prescribed under Section 133 of Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous years.

2. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

3. Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

4. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

5. Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

6. Depreciation and amortization

Depreciation has been provided on the Written down value method over the useful life of assets as prescribed under Part C of Schedule II of the Companies Act, 2013.

7. Revenue recognition

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

8. Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

9. Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the

date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project.

10. Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

Investment in properties is carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalized and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets.

11. Employee Benefits

No provision has been made for retirement benefits as none of the employees has yet put the qualifying period of service for entitlement to the benefits.

12. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

13. Taxes on income

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred Tax

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability. Current and deferred tax relating to items directly recognised in equity is recognized in equity and not in the Statement of Profit and Loss.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
2	SHARE CAPITAL :		
	Authorised Capital:		
	2,10,00,000 Equity Shares of Rs. 10/- each	210,000,000	210,000,000
	(Previous year 21,00,00,000 Equity Shares of Re. 1/- each)		
	Issued, Subscribed & Paid up Capital :		
	1,97,66,248 Equity Shares of Rs. 10/- each fully paid-up	197,662,480	197,662,480
	(Previous year 19,76,62,480 Equity Shares of Re. 1/- each fully paid-up)		
		197,662,480	197,662,480

- 2.1. The reconciliation of number of shares outstanding and the amount of share capital as at March 31, 2016 and March 31, 2015 is set out below :

Particular	As at March 31, 2016		As at March 31, 2015	
	Numbers	Amount	Numbers	Amount
Number of share at the beginning of the year	197,662,480	197,662,480	197,662,480	197,662,480
Less: Share consolidated during the year	197,662,480	197,662,480	--	--
Add: Share consolidated during the year	19,766,248	197,662,480	--	--
Number of share at the end of the year	19,766,248	197,662,480	197,662,480	197,662,480

- 2.2 During the Financial Year the Company has Consolidated the face value of the shares from Re.1/- per share to Rs. 10/- per share w.e.f. January 15, 2016 through the Members approval received by the way of Postal Ballot.

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

Particular	As at March 31, 2016		As at March 31, 2015	
	Numbers	%	Numbers	%
Sanjay Singal	100,000	5.06%	1,000,000	5.06%
Sanjay Singal-HUF	100,000	5.06%	1,000,000	5.06%
Aarti Singal	100,000	5.06%	1,000,000	5.06%

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
3	<u>RESERVES & SURPLUS:</u>		
	Capital Reserve		
	Opening Balance	808,434	808,434
	A	808,434	808,434
	Security Premium		
	Opening Balance	278,550,800	138,450,000
	Add: Premium on Shares received during the year	-	140,100,800
	B	278,550,800	278,550,800
	Profit & Loss Account		
	Opening Balance	8,516,751	2,512,343
	Add: Profit for the Year	5,730,392	6,004,407
	C	14,247,143	8,516,751
	(A+B+C)	293,606,377	287,875,985
4	<u>Short Term Borrowings</u>		
	Borrowings from others	1,544,939	-
		1,544,939	-
5	<u>TRADE PAYABLES:</u>		
	Trade Payables	47,568,855	41,019,136
		47,568,855	41,019,136
5.1.	The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable under the said Act have not been made.		
6	<u>OTHER CURRENT LIABILITIES:</u>		
	Other Payables:		
	Statutory Remittances	2,744,307	25,792
	Others	754,700	90,000
		3,499,007	115,792
7	<u>SHORT TERM PROVISIONS:</u>		
	Provision for tax	2,450,735	325,417
		2,450,735	325,417

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
----------	-------------	---------------------------------------	---------------------------------------

8 FIXED ASSETS (at Cost less Depreciation)

Amount (Rs.)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01/04/15	Additions	Deductions for the year	AS AT 31/03/16	UP TO 01/04/15	FOR THE YEAR	Adjustment during the year	Upto 31/03/16	AS AT 31/03/16	AS AT 31/03/15
Tangible Assets										
Computer	-	73,200	-	73,200	-	28,112	-	28,112	45,088	-
Total	-	73,200	-	73,200	-	28,112	-	28,112	45,088	-
Previous Year	-	-	-	-	-	-	-	-	-	-

8.1 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II.

9 NON-CURRENT INVESTMENTS:

Long term Investments :

(Valued at cost less other than temporary diminution in value, if any)

Other than Trade Investments:

In equity shares. (unquoted) (Fully paid up)

39,735,000

39,735,000

662250 (Previous Year 456000) shares of
Gayatrishakti Paper & Board Ltd. of Rs. 10 each**In 2% Compulsory Convertible Preference shares.****(unquoted) (Fully paid up)**80000 (NIL) of Gayatrishakti Paper & Board Ltd of
Rs. 10 each

4,800,000

4,800,000

44,535,000**44,535,000**

9.1 Aggregate amount of unquoted Investments

44,535,000**44,535,000****10 DEFERRED TAXASSETS:****Deferred Tax Assets:**On difference between book balance and
tax balance of fixed assets

(2,577)

-

Disallowance u/s 35D of the Income Tax Act, 1961

149,183

253,065

146,606**253,065****11 LONG TERM LOANS & ADVANCES**

(Unsecured Considered Good)

Advances Against Property

152,000,000

54,500,000

Share Application Money

-

4,970,000

Security Deposits

473,000

133,000

Income Tax Paid (Net of Provision)

2,766,101

77,151

155,239,101**59,680,151**

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
12	<u>INVENTORIES</u>		
	Stock	13,870,502	-
		13,870,502	-
13	<u>TRADE RECEIVABLES:</u>		
	(Unsecured, considered good)		
	Outstanding for a period exceeding six months	58,729,063	73,371,263
		58,729,063	73,371,263
14	<u>CASH & CASH EQUIVALENTS:</u>		
	Cash on Hand	9,587,647	809,118
	Balances with scheduled banks		
	In Current accounts	8,120,221	3,232,824
		17,707,868	4,041,942
15	<u>SHORT TERM LOANS & ADVANCES:</u>		
	(Unsecured Considered Good)		
	Loans & advances to Related Parties	89,366,970	129,452,553
	Loans and advances to others	21,490,103	19,563,103
	Inter Corporate Deposit	55,668,927	81,351,733
	Security Deposit	500,000	4,000,000
	Advance to Suppliers	89,033,164	110,750,000
		256,059,164	345,117,389
16	<u>REVENUE FROM OPERATIONS:</u>		
	Sales of Products and Services:		
	Sales	138,673,873	4,126,400
		138,673,873	4,126,400
17	<u>OTHER INCOME</u>		
	Dividend	16,000	-
	Interest on Fixed Deposit	-	604,921
	Other Interest	12,449,697	12,212,391
	Order Processing Fees	21,332,569	-
	Logistic Services	810,228	-
		34,608,494	12,817,312
18	<u>PURCHASES OF STOCK-IN-TRADE:</u>		
	Purchases	141,594,051	4,081,200
		141,594,051	4,081,200

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
19	Change in Inventory		
	Inventory at the end of the year	13,870,502	-
	Inventory at the beginning of the year	-	-
		(13,870,502)	-
20	EMPLOYEE BENEFITS EXPENSES:		
	Salaries & Bonus	5,103,389	1,946,048
	Staff Welfare	964,405	-
		6,067,794	1,946,048
21	FINANCE COST:		
	Interest on Unsecured Loan	49,932	-
		49,932	-
22	OTHER EXPENSES:		
	Advertisement Expenses	14,518	-
	Annual Listing Fees	200,000	112,360
	Auditors Remuneration	100,000	100,000
	Bank Charges	321,688	87,450
	Brokerage Expenses	35,000	-
	Business Promotion Expenses	48,426	12,542
	Compliance & Legal Expenses	182,057	136,765
	Conveyance Expenses	189,783	16,000
	Demat Charges	843	843
	Delivery Charges	10,366,810	-
	Director Sitting Fees	23,500	-
	Electricity Charges	165,918	91,244
	Filing Fees	32,800	38,300
	General Expenses	1,500	6,600
	Godown Rent	560,000	-
	Interest on TDS	4,124	934
	Legal & Professional Fees	245,936	560,618
	Miscellaneous Expenses	342,026	20,831
	Office Rent	1,667,000	763,419
	Order Processing Fees	15,267,407	-
	Postage & Courier Charges	82,242	17,971
	Printing & Stationery	346,344	54,288
	Publication Exp	45,031	-
	Registration Fees	25,000	51,695
	Repair & Maintenance	140,041	80,923
	Sales Promotion Expenses	328,500	-
	Share Transfer Charges	70,155	47,358
	Telephone Charges	203,546	22,433
	Travelling Expenses	115,200	-
		31,125,395	2,222,574

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
23	<u>Earnings Per Share(EPS)</u>		
	(i) Net Profit after tax as per statement of Profit and Loss attributable to Equity Shareholders	5,730,392	6,004,407
	(ii) Weighted Average number of equity shares used as denominator for calculating EPS	19,766,248	197,662,480
	(iii) Basic Earning Per Share (in Rs.)	0.29	0.03
	(iv) Diluted Earning Per Share (In Rs.)	0.29	0.03
	(v) Face value per share	10	1
	Note: The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earnings per share of the company remain the same.		
24	In the Opinion of the Board, the Current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business. The provisions for all known liabilities are adequate.		
25	<u>Payment to Auditors includes payment for :</u>		
	Audit Fees	100,000	100,000
		100,000	100,000
		100,000	100,000
			(Rs. In Lacs)
26	<u>Commitments and Contingent Liabilities:</u>	AS AT	AS AT
		31.03.2016	31.03.2015
	Estimated amount of contracts remaining to be executed on capital account not provided (Net of advances).	721	505
27	<u>Related Party Disclosures</u>		
	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) Key Management Personnel		
	Mr. Krishan Khadaria	Director	
	Mr. Manoj Bhatia	Director	
	Mr. Tarun Keram	Director	
	Ms. Madhumati Gawade	Director	
	Ms. Parvati Nirban	Director	
	b) Shareholder's of the company		
	Mr. Krishan Khadaria		
	c) Name of the enterprises having same Key Management Personnel and/or their relatives as the reporting enterprises:		
	Nouveau Shares & Securities Limited		
	Nouveau Global Ventures Limited		

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
	Attribute Shares & Securities Private Limited		
	Forever Flourishing Finance and Investment Private Limited		
	Golden Medows Export Private Limited		
	Hilton Vyapar Private Limited		
	Kashish Multitrade Private Limited		
	Kasturi Overseas Private Limited		
	Laxmiramuna Investments Private Limited		
	Bhaskar Realty Private Limited		
	Navyug Telefilm Private Limited		
	Slogan Infotech Private Limited		
	Keemaya Housing Finance Private Limited		
	Pearl Arcade Consultant Private Limited		
	Pearl Arcade Property Developers Private Limited		
	Mukta Agriculture Limited		
	Rajat Commercial Enterprises Pvt. Limited		
	Thai Malai Golf Resort & SPA Private Limited		
	K. K. Khadria & Co.		
	Khadaria & Associates		
	Global Enterprises		
d)	Transactions with the enterprises out of (c) above:		
	Nouveau Globa Ventures Limited		
	Laxmiramuna Investments Private Limited		
	Bhaskar Realty Private Limited		
	Pearl Arcade Property Developers Private Limited		
	Mukta Agriculture Limited		

Note No.	PARTICULARS	AS AT 31-03-2016 Amount Rs. (₹)	AS AT 31-03-2015 Amount Rs. (₹)
	(Previous years figures in bracket)		(Rs. in Lacs)
Nature of Transactions	In relation to (a) above	In relation to (b) above	In relation to (c) above
Unsecured Loan taken			Nil (0.50)
Repayment of Loan taken			Nil (0.50)
Loans & Advances given			43.50 (1,025.50)
Loans & Advances received back			514.73 (810.80)
Share Application Money Given			Nil (149.70)
Share Application Money Received back			49.70 (100.00)
Interest Received			78.19 (54.16)
Director Sitting Fees	0.25 NIL		
Office Rent	0.96 (0.96)		
Amount Outstanding as on 31st March, 2015			
Loans & Advances given			893.67 (1,294.53)

28 Segment reporting (AS – 17):

The Company is mainly engaged in trading in Computer hardware & other Electronic Products and also engaged in business of Tele-Shopping. All activities of the company revolve around this main business. As such there are no separate reporting segments as per the Accounting Standard on Segment Reporting (As 17).

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co
Chartered Accountants
FRN : 100986W

**For and on behalf of Board of Directors
Mystic Electronics Limited**
(Formerly known as Pearl Electronics Limited)

**Sd/-
Jatin Bansal**
Partner
Membership No : 135399

**Sd/-
Krishan Khadaria**
Director
DIN :00219096

**Sd/-
Manoj Bhatia**
Director
DIN :01953191

Place : Mumbai
Date : 02/06/2016

INTENSELY BLANK

INTENSELY BLANK

INTENSELY BLANK

INTENSELY BLANK

INTENSELY BLANK

INTENSELY BLANK



MYSTIC ELECTRONICS LIMITED

(Formerly known as Pearl Electronics Limited)

401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane, Off. J. P. Road, Andheri (W), Mumbai - 400058
 Tel.: 26778155 / 26797750 / 32459097 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 **5th Annual General Meeting** of the Company held on **Monday, 19th September, 2016, at 11.30 a.m.** at *Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall, Oshiwara, Mumbai, Andheri (W), Mumbai - 400 058.*

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 DEMATERIALIZED 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

(Formerly known as Pearl Electronics Limited)

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

Tel.: 26778155 / 26797750 / 32459097 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**
(Formerly known as Pearl 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 5th Annual General Meeting of the Company, to be held on **Monday, 19th September, 2016, at 11:30 a.m.** at *Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall, Oshiwara, Mumbai, Andheri (W), Mumbai 400058* and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	For	Against
1. Adoption of the audited Balance Sheet of the Company as at 31st March, 2016, Statement of Profit and Loss for the year ended on that date, and the Reports of the Board of Directors and Auditors thereon.		
2. Appointment of Mr. Krishan Khadaria who retires by rotation.		
3. Re-appointment of M/s. Bansal Bansal & Co. as Statutory Auditor of the Company and to fix their remuneration.		

Signed this day of 2016.

Signature of shareholder

Signature of Proxy holder(s)

Affix Rs. 1/-
Revenue
Stamp

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

(Formerly known as Pearl Electronics Limited)

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

Tel.: 26778155 / 26797750 / 32459097 Fax: 26781187 CIN: L72300MH2011PLC221448

Email: electronics.mystic@gmail.com Website: 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 dated 13th August, 2016 convening the 5th Annual General Meeting of the Company to be held on **Monday, 19th September, 2016, at 11:30 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 Balance Sheet of the Company as at 31st March, 2016, Statement of Profit and Loss for the year ended on that date, and the Reports of the Board of Directors and Auditors thereon.	Ordinary Resolution			
2	Appointment of Mr. Krishan Khadaria who retires by rotation.	Ordinary Resolution			
3	Re-appointment of M/s. Bansal Bansal & Co. as Statutory Auditor of the Company and to fix their remuneration.	Ordinary Resolution			

Place : _____

Date : _____

Signature of the Shareholder

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 **19th September, 2016** shall only be considered.

E-VOTING

Users who wish to opt for e-voting may use the following login credentials.

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.evotingindia.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 Central Depository Services (India) 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, Flat No. 501, Ruby Palace, Plot No. 74, Ceaser Road, Opp. Filmalaya Studio, Amboli, Andheri West, Mumbai- 400058 .

MYSTIC ELECTRONICS LIMITED

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

Tel. No.: 26778155 / 26797750

Email id.: electronics.mystic@gmail.com

Website : www.mystic-electronics.com