

# MIHIKA INDUSTRIES LIMITED

**Annual Report 2016-2017**

**Board of Directors:****Kuldeep Kumar Sethia***Chairman and Managing Director***Shweta Sethia***Executive Director and Chief Financial Officer***Mali Chand Agarwala***Independent Director***Rajesh Shah***Independent Director***Manoj Kumar Chetani***Independent Director***Company Secretary and  
Chief Compliance Officer:****Satish Kumar Thakur****Audit Committee:****Rajesh Shah****Mali Chand Agarwala****Manoj Kumar Chetani****Stakeholders' Relationship Committee:****Kuldeep Kumar Sethia****Mali Chand Agarwala****Manoj Kumar Chetani****Nomination And Remuneration Committee:****Rajesh Shah****Mali Chand Agarwala****Manoj Kumar Chetani****Auditors:****M/s. J. Gupta & Co.***Chartered Accountants***Bankers:****IndusInd Bank Limited****HDFC Bank Ltd.****Registered Office:**3, Bentinck Street, 2<sup>nd</sup> Floor

Kolkata-700 001

Telephone: 033-6536 6663

Fax: 033-2210 0875

e-mail: [mihikaindustries@gmail.com](mailto:mihikaindustries@gmail.com)website: [www.mihika.co.in](http://www.mihika.co.in)**CIN:****L70101WB1983PLC035638****Registrar and Share Transfer Agent:****ABS Consultant Pvt. Ltd.**

Room No. 99, 6th Floor,

Stephen House,

4, B.B.D Bag (East), Kolkata-700 001

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## **NOTICE**

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Members of Mihika Industries Limited will be held at the Registered Office of the Company at 3, Bentinck Street, 2nd Floor, Kolkata-700001 at 1.00 p.m. on Saturday, the 23rd September, 2017 to transact the following businesses:

### **AS ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2017 together with the Directors' Report and Auditors' Report thereon.
2. To ratify the appointment of auditor and fix their remuneration.  
To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** pursuant to the provision of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, appointment of M/s. J. Gupta & Co, Chartered Accountants (FRN: 314010E), as auditors of the Company for the second consecutive year, viz. from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, out of their term of five consecutive years as approved at the Annual General Meeting held on 29.09.2016, be and is hereby ratified and that they shall be paid a remuneration as may be finalized by the Board of Directors of the Company."
3. To appoint a director in place of Mrs. Shweta Sethia (DIN: 01111566), who retires by rotation and being eligible, offers herself for re-appointment.

**By order of the Board**

Place: Kolkata  
Date: 29th May, 2017

**Satish Kumar Thakur**  
Company Secretary

**NOTES**

1. A Member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company at its registered office not less than 48 hours before the meeting. A person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of total share capital of the Company. 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 proxy for any other person or member.
2. Proxies submitted on behalf of Limited Companies, Body Corporate, Societies etc. must be supported by appropriate resolution/authority, as applicable. Blank Proxy form is attached.
3. Route-map to the venue of the Annual General Meeting is provided at the end of the notice for the convenience of the members.
4. Corporate Members are intending to send their Authorized Representatives to attend the Meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Register of Members and Share Transfer Books of the Company will remain closed from 18.09.2017 to 23.09.2017(both days inclusive).
6. Brief resume of the Director being re-appointed, nature of the expertise in specific functional areas, names of Indian Public Limited Companies in which she holds directorship and membership/Chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the notice forming part of Annual Report.
7. The Company's Equity Shares are listed on the BSE Limited with Scrip Code 538895.
8. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during office hours on all working days except Sundays and Holidays between 11:00 a.m. and 1:00 p.m. up to the date of Annual General Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrars and Share Transfer Agents.
10. Members are requested:
  - a) To bring their Attendance Slip along with their copy of Annual Report to the Meeting;
  - b) To quote their Ledger Folio No./DP ID and Client ID in all communications addressed to the Company;
  - c) To notify immediately any change in your address (including pin code), bank details to Company/RTA in case the shares are held in physical form; and
  - d) In case the shares are held in dematerialized form please update any change in your address (including pin code), bank details to your respective Depository Participant.
11. **Voting through electronic means**
  - i. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facilities to cast their votes on all resolutions set forth in the Notice of the Annual General Meeting using electronic means and business may be transacted through remote e-voting. The Company has engaged the service of Central Depository Services (India) Ltd. (CDSL) as the authorized agency to provide the remote e-voting facilities.

The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.

The notice of the e-voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. The e-voting particulars are provided at the bottom of the Attendance Slip.

The remote e-Voting period begins from 20-09-2017 from 9.00 A.M. and ends on 22-09-2017 till 5.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of 16-09-2017 may cast their vote electronically. The remote e-voting module shall be disabled by Central Depository Services (India) Ltd. (CDSL) for voting thereafter.

**The Instructions for e-Voting are as under:**

- a. Log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- b. Click on "Shareholders" tab.
- c. Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip alongwith **Mihika Industries Limited** from the drop down menu and click on "SUBMIT".
- d. Now Enter your User ID (as mentioned in the Attendance Slip):
  - i. For CDSL: 16 digits beneficiary ID,
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Next enter the Image Verification as displayed and Click on Login.
- f. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- g. However, if you are a first time user, please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes:
- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. Members holding shares in physical form will directly reach the Company selection screen. However, Members holding shares in demat form will 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 also to be 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.
- j. For Members holding shares in physical form, the details in Attendance Slip can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the relevant EVSN "**Mihika Industries Limited**" for which you choose to vote.

- I. 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.
  - m. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
  - n. 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.
  - o. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - p. You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
  - q. If Demat account holder has forgotten the **changed password** then enter the User ID and image verification code, click on Forgot Password & enter the details as prompted by the system.
  - r. For Non-Individual Shareholders and Custodian:
    - Institutional shareholders (i.e. other than Individuals, HUF etc.) are required to <https://www.evotingindia.com> and register themselves as Corporate.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Authorized Person/Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
- IV. Any Person who becomes a Member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e. 16.09.2017, may obtain the User ID and password for Remote E-voting by sending request at [mihikaindustries@gmail.com](mailto:mihikaindustries@gmail.com).
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off/entitlement date of 16.09.2017.
- VI. Mrs. Rasna Goyal, a Practicing Company Secretary, (FCS-9096) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

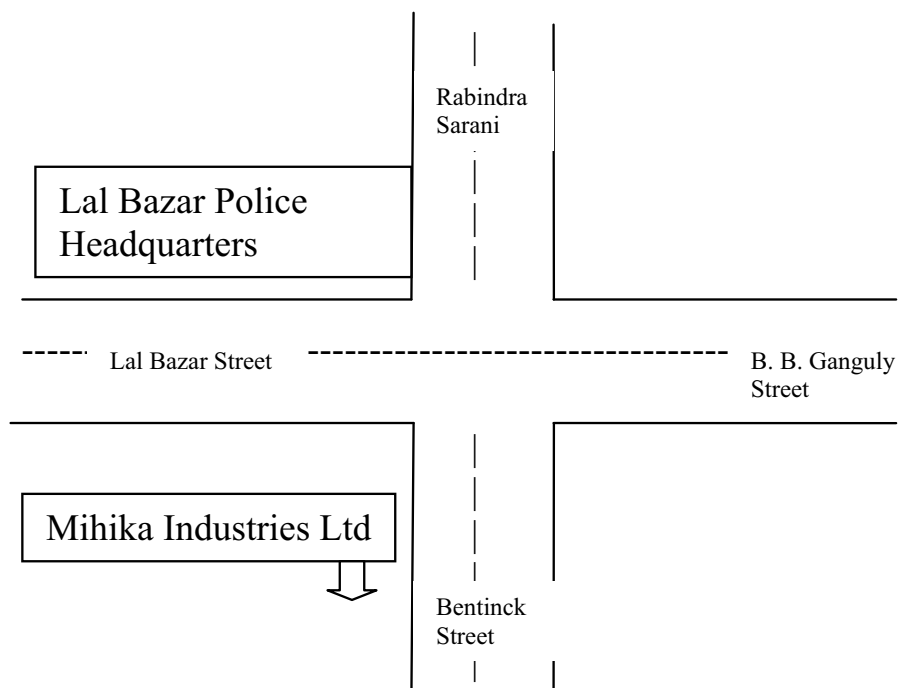
- VII.** The Scrutinizer shall, after scrutinizing the votes cast at the Annual General Meeting and through Remote E-voting, not later than 2 (two) days from the conclusion of the Annual General Meeting make a consolidated Scrutinizer's report and submit the same to the Chairman.
- VIII.** The results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.mihika.co.in](http://www.mihika.co.in) and on the website of Central Depository Services (India) Ltd. viz [www.evotingindia.com](http://www.evotingindia.com) within two days of passing of the resolutions at the 34<sup>th</sup> Annual General Meeting of the Company on 23<sup>rd</sup> September 2017 and communicated to BSE Ltd., where Equity Shares of the Company are listed.

**By order of the Board**

Place: Kolkata  
Date: 29<sup>th</sup> May, 2017

Satish Kumar Thakur  
Company Secretary

**Route Map to the Venue of the 34<sup>th</sup> Annual General Meeting of Mihika Industries Limited**



**Annexure**

**Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to the director seeking re-appointment at the forthcoming Annual General Meeting (Refer item no. 3 of the Notice):**

Name of Director	<b>Mrs. Shweta Sethia</b>
Date of Birth	19 <sup>th</sup> November, 1976
Qualification	Secondary
Expertise in specific functional area	Finance
Directorship Held in other Companies (Excluding foreign companies)	NIL
Membership/Chairmanship of Committees of other Indian Public Companies	NIL
Number of shares held in the Company as on 31 <sup>st</sup> March, 2017	NIL
Directors' inter - se relationship	Mrs. Shweta Sethia is wife of Mr. Kuldeep Kumar Sethia.



## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 34<sup>th</sup> Annual Report along with the Audited Statement of Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

(Amount in Lakhs)

	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2017
<b>Profit before tax</b>	<b>14.59</b>	<b>2.08</b>
Less: Tax Expense	2.04	0.82
<b>Profit after tax</b>	<b>12.55</b>	<b>1.26</b>
Add: Balance brought forward from previous year	6.06	4.80
<b>Balance available for appropriation</b>	<b>18.61</b>	<b>6.06</b>
<b>Balance carried to Balance Sheet</b>	<b>18.61</b>	<b>6.06</b>

### DIVIDEND

With a view to conserve resources for growth of Company, the Board recommends no dividend for the year ended 31<sup>st</sup> March, 2017.

### TRANSFER TO RESERVE

The Company did not transfer any amount to General Reserve during the year.

### PUBLIC DEPOSITS

The Company has neither invited nor accepted/renewed any deposits from the public within the meaning of Chapter V of Companies Act, 2013 or extant regulations of the Reserve Bank of India during the year under review.

### CAPITAL STRUCTURE

During the year, there has been no change in the capital base of the Company, which comprises of 1,00,00,000 Equity Shares of Rs.10/- each.

### CHANGE IN NATURE OF THE BUSINESS

There has been no change in the nature of business of the Company during the year.

### STATUTORY & LEGAL MATTERS

There has been no significant and/or material order(s) passed by any Regulators/Courts/Tribunals impacting the going concern status and the Company's operations in future.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

There have no changes in the composition of the Board of Directors during the year 2016-17.

In terms of the provisions of the Companies Act, 2013, Mrs. Shweta Sethia, retires by rotation from the Board of Directors of the Company at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Ms. Varsha Khandelwal, Company Secretary, has resigned from the post of same and Mr. Satish Kumar Thakur has been inducted to act as Company Secretary of the Company w.e.f 09<sup>th</sup> August, 2016.

## **DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

There are no Subsidiaries, Joint Ventures and Associate Company during the financial year 2016-17 under review.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of section 134(3)(c) of the Companies Act, 2013, it is hereby confirmed that:

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with the proper explanation relating to material departures;
- b) The Directors had selected such accounting policies as mentioned in the Notes to Financial Statements and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2017 and of the profit of the Company for the year ended on that date;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the Accounts for the financial year ended 31st March, 2017 on 'going concern' basis;
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively in compliance with section 134(5)(e) of the Companies Act, 2013
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received the necessary declaration from each Independent Directors of the Company under section 149(7) of Companies Act, 2013 that they meet the criteria of Independence as laid down under the provisions of sub-section (6) of section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **AUDITORS AND AUDITORS' REPORT**

### **(A) Statutory Auditors:-**

M/s J. Gupta & Co., Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the 38<sup>th</sup> Annual General Meeting to be scheduled in 2021. They have confirmed their eligibility and are not disqualified to act as auditors of the Company. Their appointment is subject to ratification by the Members at the ensuing Annual General Meeting.

The observations made by the auditors in the Auditors' Report are self explanatory and do not contain any qualification or any adverse remarks and, therefore need no further clarifications or any further explanations as required under sub-Section (3) of Section 134 of Companies Act, 2013.

### **(B) Secretarial Auditor:-**

The Board has appointed Mrs. Rasna Goyal, Practicing Company Secretary to hold office of the Secretarial Auditor for a period of five years i.e. from financial year 2016-17 to 2020-21 and to conduct the Secretarial Audit and submit the Secretarial Audit Report pursuant to sub-section (1) of section 204 of Companies Act, 2013 and Rules made thereunder for the financial year 2016-17.

The report is self explanatory and do not contain any reservation, qualification or adverse remarks. The Secretarial Auditors' Report is annexed to this report as **Annexure-A**.

## **FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE REPORTABLE TO THE CENTRAL GOVERNMENT**

No frauds have been reported by auditors of the Company during the year under review.

## **MEETINGS OF THE BOARD**

Five meetings of the Board of Directors were held during the year. The details of various Board meetings are provided in the Corporate Governance Report of this Annual Report.

## **CORPORATE GOVERNANCE**

Transparency is the cornerstone of your Company's philosophy and all requirements of Corporate Governance are adhered to both in letter and spirit. All the Committees of the Board of Directors meets at regular intervals as required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Board of Directors has taken all the necessary steps to ensure compliances with all statutory requirements. The Directors and Key Managerial Personnel of your Company have complied with the approved code of conduct for the Board and Senior Management.

The Report on Corporate Governance as required under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as a separate section forming part of the Annual Report. The Auditors' Certificate on compliance with Corporate Governance Requirements is also attached to this report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of provision of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the management discussion and analysis report for the year is presented, in a separate section forming part of the Annual Report.

## **LISTED WITH STOCK EXCHANGES**

The Company's shares have been listed with the BSE Ltd. with Scrip Code 538895. The Company confirms that it has paid the annual listing fees for the year 2017-18 to BSE Ltd.

## **MATERIALS CHANGES AND COMMITMENTS**

There have been no material changes and commitments affecting the financial position of the Company, which have occurred since 31<sup>st</sup> March, 2017, being the end of the financial year of the Company.

## **INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosure.

## **MANAGERIAL REMUNERATION**

In terms of the provision of Section 197(12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or amendment thereof, if any, in respect of the managerial personnel of the company is attached here as **Annexure- B**.

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

There are no employees who are in receipt of remuneration in excess of the limit specified under section 134(3)(q) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

(A) Conservation of Energy: NA

(B) Technology Absorption: NA

(C) Foreign Exchange Earnings and Outgo:

The details of Foreign Exchange transactions are as below:

Foreign Exchange Earnings: Rs. Nil

Foreign Exchange Outgo: Rs. Nil

## **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. Details of materially significant related party transactions that are the transactions of a material nature between the Company and the Promoters, Management, Directors or their relatives etc. are disclosed in the Note No. 20(B) of the Financial Statements in compliance with the Accounting Standard relating to "Related Party Disclosures".

There are no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which may have a potential conflict with the interest of the Company.

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed to this report as **Annexure-C**.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT OR SECURITIES PROVIDED**

Loans, guarantees and investments or securities covered under Section 186 of the Companies Act, 2013 form part of the notes no. 20(G) to the financial statements.

## **RISK MANAGEMENT POLICY**

As required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a well documented and robust risk management framework. Under this framework, risks are identified across all business process of the Company on a continuous basis. Once identified, these risks are classified as strategic risk, business risk or reporting risk. Strategic risk are those which are associated with the long term interests of the Company. Reporting risk is associated with incorrect or un-timely financial and non- financial reporting.

The Audit Committee of the Board of Directors reviews the Risk Management Strategy of the Company to ensure effectiveness of the Risk Management policy and procedures. Board of Directors of the Company is regularly apprised on the key risk assessment areas and a mitigation mechanism is recommended.

During the year, the Board has reviewed the risk assessment and a risk minimization procedure commensurate to the risks has been adopted and is in place.

## **VIGIL MECHANISM**

In accordance with Section 177(9) and 177(10) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has established a Vigil mechanism/Whistle Blower Policy. The policy is available at Company's website.

**EVALUATION OF BOARD'S PERFORMANCE**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated the criteria for the evaluation of the performance of Board of Directors, Independent Directors, Non-Independent Directors and the Chairman of the Board. Based on that performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose. All the results and evaluation has been communicated to the Chairman of the Board of Directors. All Directors of the Board are familiar with the business of the Company.

**DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under this policy.

The following is the summary of the complaints received and disposed off during the Financial Year 2016-17:

- a) No. of complaints received : NIL
- b) No. of complaints disposed off : NIL

**APPRECIATION**

Your Directors wish to place on record their appreciation for continued guidance and co-operation received from the various stakeholders including financial institutions and banks, regulators, governmental authorities and other business associates, who have extended their valuable support and encouragement during the year under review.

**For and on behalf of the Board**

Place: Kolkata  
Date: 29<sup>th</sup> May, 2017

Kuldeep Kumar Sethia  
Chairman and Managing Director  
(DIN: 00325632)

**Form No. MR-3****SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

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

To,  
The Members,  
**Mihika Industries Limited**  
3, Bentick Street, 2<sup>nd</sup> Floor  
Kolkata - 700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Mihika Industries 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 the M/s. Mihika Industries Limited's 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 and as per the explanations given to us and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by M/s. Mihika Industries Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) **The Companies Act, 2013** (the Act) and the rules made thereunder, as applicable;
- (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; **(Not applicable to the company during the audit period);**
- (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 (**Listing Obligations and Disclosure Requirements**) **Regulations, 2015**
  - b) The Securities and Exchange Board of India (**Substantial Acquisition of Shares and Takeovers**) **Regulations, 2011;**
  - c) The Securities and Exchange Board of India (**Prohibition of Insider Trading**) **Regulations, 2015;**
  - d) The Securities and Exchange Board of India (**Issue of Capital and Disclosure Requirements**) **Regulations, 2009 (Not applicable to the Company during the Audit Period);**
  - e) The Securities and Exchange Board of India (**Registrars to an Issue and Share Transfer Agents**) **Regulations, 1993 – The Company has appointed a SEBI authorized Category I Registrar and Share Transfer Agent.**
  - f) The Securities and Exchange Board of India (**Delisting of Equity Shares**) **Regulations, 2009 (Not applicable to the Company during the Audit Period);** and
  - g) The Securities and Exchange Board of India (**Buyback of Securities**) **Regulations, 1998 (Not applicable to the Company during the Audit Period);**

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**MIHIKA INDUSTRIES LIMITED**

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- h) The Securities and Exchange Board of India (**Delisting of Equity Shares**) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and
- i) The Securities and Exchange Board of India (**Buyback of Securities**) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);

As informed by the management, there are no specific laws applicable to the company.

I further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has generally complied with the laws applicable to the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

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 Meeting's 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that as per the explanations given to us and the representations made by the Management and relied upon by us 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 year under report, the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Kolkata  
Date: 29<sup>th</sup> May, 2017

**Rasna Goyal**  
(Company Secretary in Practice)  
FCS No.: 9096  
2017C.P. No : 9209

**NOTE**-This report is to be read out with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

**Annexure-I**  
(TO THE SECRETARIAL AUDIT REPORT OF  
MIHIKA INDUSTRIES LIMITED  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017)

To,  
The Members,  
Mihika Industries Limited  
3, Bentick Street, 2<sup>nd</sup> Floor  
Kolkata -700001

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

1. Maintenance of Secretarial Records 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes 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. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date: 29<sup>th</sup> May, 2017

**Rasna Goyal**  
(Company Secretary in Practice)  
FCS No.: 9096  
2017C.P. No : 9209



**ANNEXURE – B**  
**MANAGERIAL REMUNERATION**

**1) REMUNERATION PAID TO DIRECTORS**

SL	NAME OF THE DIRECTOR	DESIGNATION	REMUNERATION IN FY 2016-17(RS)	REMUNERATION IN FY 2015-16(RS)	% INCREASE OF REMUNERATION IN 16-17 AGAINST 15-16	RATIO OF REMUNERATION OF EACH DIRECTOR TO MRE FOR THE YEAR 2016-17 (NOTE-1)	RATIO OF REMUNERATION TO REVENUES IN 2017 (Note - 1)
1	Mr. Kuldeep Kumar Sethia	Chairman And Managing Director	5,25,000	4,50,000	16.67	2.50	0.02
2	Mr. Manoj Kumar Chetani	Independent Director	NIL	NIL	NIL	NIL	NIL
3.	Mr. Mali Chand Agarwala	Independent Director	NIL	NIL	NIL	NIL	NIL
4.	Mr. Rajesh Shah	Independent Director	NIL	NIL	NIL	NIL	NIL
5.	Mrs. Shweta Sethia	Director	3,00,000	3,00,000	NIL	1.43	0.01

**2) REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL**

SL	NAME OF THE KEY MANAGERIAL PERSONNEL	DESIGNATION	REMUNERATION IN FY 2016 - 17(RS)	REMUNERATION IN FY 2015 - 16(RS)	% INCREASE OF REMUNERATION IN 16-17 AGAINST 15-16	RATIO OF REMUNERATION TO MRE (Note - 1)	RATIO OF REMUNERATION TO REVENUES IN 2017 (Note - 1)
1.	Ms. Varsha Khandelwal	Company Secretary	51,917	1,92,500	NIL	1.43	0.00
2.	*Mr. Satish Kumar Thakur	Company Secretary	1,40,000	NIL	NIL		

\* Appointed with effect from 9<sup>th</sup> August, 2016. So, there is no previous figure for comparison.

**NOTES :**

1. Calculation based on annualized salary.
2. No remuneration is paid to any Non Executive Director during the period.
- A. The Median Remuneration of Employees (MRE) including Managing Directors (MD) was Rs. 2,10,000 and Rs. 2,20,370 in the financial year 2016-17 and 2015-16 respectively.
- B. Percentage increase in the MRE in the financial year 2016-17 is -4.71% compared to the 2015-16 and average remuneration of employees increased by 9%.
- C. Average remuneration of the employees excluding Key Managerial Personnel increased by 35.59 % and average remuneration of Key Managerial Personnel decreased by 19.62 %.
- D. The number of permanent employees in the rolls of the company as on 31.03.2017 and 31.03.2016 were 8 and 6 respectively.
- E. The revenue growth during the financial year 2016-17 was 71.13% over the financial year 2015-16 and net profit increased by 897 %.
- F. The aggregate remuneration of employees including Managing Director grew by 81.72%.
- G. The remuneration is paid as per recommendation of the Nomination and Remuneration Committee.
- H. During the Financial year 2016-17 no employee received remuneration in excess of that paid to Managing Director.

**ANNEXURE-C**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L70101WB1983PLC035638
2.	Registration Date	05-01-1983
3.	Name of the Company	Mihika Industries Limited
4.	Category/Sub-category of the Company	Public Limited
5.	Address of the Registered office & contact details	3, Bentinck Street, 2 <sup>nd</sup> Floor Kolkata – 700001 Telephone : (033) 6536 6663 Fax : (033) 2210 0875 e-mail : <a href="mailto:mihikaindustries@gmail.com">mihikaindustries@gmail.com</a> Website : <a href="http://www.mihika.co.in">www.mihika.co.in</a>
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ABS Consultant Pvt. Ltd. Room No. 99, 6th Floor Stephen House 4, B.B.D. Bag (East), Kolkata-700001 Telephone : (033) 2230 1043, 2243 0153 E-mail : <a href="mailto:absconsultant@vsnl.net">absconsultant@vsnl.net</a>

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Wholesale of textiles, fabrics	46411	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	NIL	NIL	NIL	NIL	NIL

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

**I) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01/04/2016]				No. of Shares held at the end of the year[As on 31/03/2017 ]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2175	0.00	2175	0.02	2175	0.00	2175	0.02	0.00
b) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corp.	2400000	0.00	2400000	24.00	2400000	0.00	2400000	24.00	0.00
e) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub -Total(A)(1)</b>	<b>2402175</b>	<b>0.00</b>	<b>2402175</b>	<b>24.02</b>	<b>2402175</b>	<b>0.00</b>	<b>2402175</b>	<b>24.02</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI -Individual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Other Individual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bodies Corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub -Total(A)(2)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter &amp; Promoter Group(A) = (A)(1)+(2)</b>	<b>2402175</b>	<b>0.00</b>	<b>2402175</b>	<b>24.02</b>	<b>2402175</b>	<b>0.00</b>	<b>2402175</b>	<b>24.02</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FII's	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub-total (B)(1): -</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0.00	3123930	3123930	31.24	0.00	3123930	3123930	31.24	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	100	237845	237945	2.38	110	237845	237955	2.38	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	587950	3648000	4235950	42.36	587940	3648000	4235940	42.36	0.00
c) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Sub-total (B)(2): -</b>	<b>588050</b>	<b>7009775</b>	<b>7597825</b>	<b>75.98</b>	<b>588050</b>	<b>7009775</b>	<b>7597825</b>	<b>75.98</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>588050</b>	<b>7009775</b>	<b>7597825</b>	<b>75.98</b>	<b>588050</b>	<b>7009775</b>	<b>7597825</b>	<b>75.98</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>2990225</b>	<b>7009775</b>	<b>10000000</b>	<b>100</b>	<b>2990225</b>	<b>7009775</b>	<b>10000000</b>	<b>100</b>	<b>0.00</b>

**ii) Shareholding of Promoters-**

SN	Shareholder's Name	Shareholding at the beginning of the year(As on 01-04-2016)			Shareholding at the end of the year (As on 31-03-2017)			% 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	Jain Commodity Broking Pvt. Ltd.	2400000	24.00	0.00	2400000	24.00	0.00	0.00
2	Mr. Kuldeep Kumar Sethia	2175	0.02	0.00	2175	0.02	0.00	0.00

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

There is no Change in Promoters' Shareholding for financial year 01.04.2016 to 31.03.2017:

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year 01.04.2016	2402175	24.02	2402175	24.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year 31.03.2017	2402175	24.02	2402175	24.02

**iv) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Name of Shareholders	Shareholding at the beginning of the year (01-04-2016) end of the year(31.03.2017)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1.	Dhanlakshmi Tracom Pvt. Ltd.	98000	0.98	01-04-2016	No Change		98000	0.98
2.	Dreamland Commodeal Pvt. Ltd	98000	0.98	01-04-2016	No Change		98000	0.98
3.	Aristo Dealmark Pvt. Ltd.	98000	0.98	01-04-2016	No Change		98000	0.98
4.	Bhagyalaxmi Vincom Pvt. Ltd.	98000	0.98	01-04-2016	No Change		98000	0.98
5.	Chitrkala Vincom Pvt. Ltd.	98000	0.98	01-04-2016	No Change		98000	0.98

6.	Topex Vinimay Pvt. Ltd.	98000 98000	0.98 0.98	01-04-2016 31-03-2017	No Change		98000	0.98
7.	Apex Dealmark Pvt. Ltd.	98000 98000	0.98 0.98	01-04-2016 31-03-2017	No Change		98000	0.98
8.	Amardeep Vincom Pvt. Ltd.	98000 98000	0.98 0.98	01-04-2016 31-03-2017	No Change		98000	0.98
9.	Deepraj Trading Pvt. Ltd.	98000 98000	0.98 0.98	01-04-2016 31-03-2017	No Change		98000	0.98
10.	Dastak Vincom Pvt. Ltd.	98000 98000	0.98 0.98	01-04-2016 31-03-2017	No Change		98000	0.98

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year 01.04.2016 Mr. Kuldeep Kumar Sethia	2175	0.02	2175	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year 31.03.2017 Mr. Kuldeep Kumar Sethia	2175	0.02	2175	0.02

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 01.04.2016</b>	NIL			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year 31.03.2017</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		<b>Kuldeep Kumar Sethia</b> Managing Director	
1	Gross salary	5,25,000	5,25,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equi	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL
5	Others, please specify	NIL	NIL
	<b>Total (A)</b>	5,25,000	5,25,000
	Ceiling as per the Act	NIL	NIL



**B. Remuneration to Other Directors**

SN	Particulars of Remuneration	Name of Directors			Total Amount
		Mali Chand Agarwala	Manoj Kumar Chetani	Rajesh Shah	
1	<b>Independent Directors</b>	<b>NIL</b>			
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
Total (1)					
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		Mrs. Shweta Sethia Chief Financial Officer	Varsha Khandelwal Company Secretary (upto 23.07.2016)	Satish Kumar Thakur, Company Secretary (from 09.08.2016)	Total
1	Gross salary	3,00,000	51,917	1,40,000	4,91,917
	(a) Salary as per provisions contained in section 17(1) of the Income -tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income -tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income -tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	<b>others, specify...</b>	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total	3,00,000	51,917	1,40,000	4,91,917

**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)
<b>A. COMPANY</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL				
Punishment					
Compounding					

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report has to be read in conjunction with the Company's financial statements, covering overall performance and outlook of its activities which read as follows-

### **TRADE STRUCTURE AND DEVELOPMENT**

The textile industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes about 14% to industrial production, 5% to gross domestic product (GDP), and 27% to country's foreign exchange inflows. It provides direct employment to over 45 million people. Thus the growth and all round development of this industry has a direct bearing on the improvement of India's economy. The Company is trading in the textile sector. The textile trade and industry provides jobs for semi-skilled and unskilled labourers, women in particular on a large scale in the Country. Mihika Industries Ltd. (MIL) is geared up to leverage its strengths in this age-old trade.

### **OPPORTUNITIES AND THREATS**

In the post quota regime, the Indian textile industry have got very good opportunity for increasing their export of textile products. Further the trend for value added textile products in the domestic market is also on the rise. The Government has introduced the Amended Technology Upgradation Fund Scheme (ATUFS) to give a further boost for technology investment in the textile industry. Moreover, increased in disposable income and purchasing power of Indian customers opens new market development. The Company wishes to expand in the area of value added products as these offer better margins.

However, fashion trends are constantly changing. The company has to keep pace with the changing fashion trends, otherwise margins may suffer significantly.

### **SEGMENT OR PRODUCTWISE PERFORMANCE**

The Company operates primarily in one business segment viz. trading in textile goods and ancillary activities in India and accordingly this is the only Single Reportable Segment.

### **OUTLOOK**

The Company endeavors to be an important player in the field of textile trade. There is good prospect of expanding business in this trade.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has proper and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported properly.

The Internal Auditors are mandated to carry out periodical audit and report on areas of non-compliances/weaknesses. Corrective actions in case of reported deficiencies, if any, are taken actively to further strengthen the internal control systems. These reports are reviewed by the Audit Committee of the Board of Directors for follow-up action and instructions are issued for taking necessary measures.

### **FINANCIAL AND OPERATIONAL PERFORMANCE**

The financial and operational performances are separately elaborated in the Directors' Report.

### **DEVELOPMENT IN HUMAN RESOURCES**

Since development in human resource is needed for the organization's growth and to maintain its sustainability in the long run. The Company has continued its endeavor in maintaining peace and harmony at all levels of employment in the organization in the year under review.

**CAUTIONARY STATEMENT**

The Statement in the Management's Discussion and Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future events, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in Government regulations and tax regime, economic developments within India and abroad, financial markets etc. The Company assumes no responsibility in respect of forward-looking statements that may be revised or modified in future on the basis of subsequent developments, information or events. The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounting Standards) Rules, 2014. The management of Mihika Industries Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect true and fair picture, the state of affairs and profit for the year. The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the Annual Report.

## **CORPORATE GOVERNANCE REPORT**

### **A. Company's Philosophy on Corporate Governance**

Corporate governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices, which ensure that a Company meets its obligation with the objective to optimize shareholder values and fulfill its responsibilities to the community, customers, employees, government and other societal segments. **MIHIKA INDUSTRIES LIMITED's** (MIL) philosophy is to conduct business with highest ethical standards for growth and prosperity of all stakeholders on a sustainable basis in keeping with its corporate social responsibilities. This philosophy is built on a rich legacy of fair, transparent and effective governance and led by strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct.

The Company believes that a sound governance discipline enable the Board to direct and control the affair of the Company in an effective manner and maximize stakeholder values, including the society at large. This is an ongoing process with Mihika Industries Limited and we continuously endeavor to improve upon our practices in line with the changing demand of the business. Mihika Industries Limited adopts innovative approaches for leveraging all its resources and encourages a spirit of conversion of opportunities into achievements. Company's governance structures and system are the foundation which provides and nurtures ramping up of healthy and sustainable growth of human resources through empowerment and motivation. In this, your Company is guided by its vision, mission and the code on Corporate Governance.

Keeping in view the Company's size, reach and complexity of operation and corporate tradition, the Corporate Governance framework is based on the following main principles:

- Strategic supervision by the Board of Directors which is made up of appropriate size, bouquets of experience and commitment to discharge their responsibilities;
- Timely and adequate flow of information to the Board and its Committees for meaningful and focused discussion at the meetings;
- Independent verification of Company's financial reporting from time to time and on quarterly basis;
- A sound system of internal controls within the Risk Management framework to mitigate perceived risk factors;
- Timely and balanced disclosure of all material information and disclosure of all deviations, if any, to all stakeholders;
- Compliance with applicable laws, rules, regulations and guidelines;
- Transparency and defined accountability and
- Equitable and fair treatment to all the stakeholders including employees, customers, vendors, shareholders and investors.

The Board of Directors play an active role in fulfilling its fiduciary obligation to shareholders by efficiently overseeing management functions to ensure their effectiveness in delivering shareholder values. The governance framework is made effective through an efficient system of timely disclosures and transparent business practices.

### **B. Board of Directors**

The Board of Directors which is a body formed to serve and protect the overall interest of all the stakeholders provides and evaluates the strategic direction of the Company, formulates and reviews management policies and ensure their effectiveness.

**(a) Constitution**

The Company's Board of Directors presently comprises of five members. Three of whom are Non -Executive Directors and two are Executive Directors. The Board is headed by Mr. Kuldeep Kumar Sethia, Chairman and Managing Director and it has required number of Independent Directors. All the directors possess the requisite qualification and experience in general corporate management, finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company. They ensure that the management adheres to high standards of ethics, transparency and compliance.

**(b) Number of Board Meetings**

During the year under review five board meetings were held on 22<sup>nd</sup> April 2016, 30<sup>th</sup> May 2016, 09<sup>th</sup> August 2016, 10<sup>th</sup> November 2016, and 14<sup>th</sup> February 2017. The meetings were held as per the requirements of business and at intervals within the legally permitted limits. The Boards meets once in every quarter, inter alia, to review the quarterly results and other items on agenda.

**(c) Directors' Attendance at Board Meetings and Details of Directorship / Committee Position held**

The Composition of Board of Directors, their attendance at the board meetings during the year and at the last Annual General Meeting and also number of other directorship in Indian Public Companies are as follows:

The Board consists of the following directors:

Name of Directors	Attendance of last Annual General Meeting	No. of Board Meeting Attended	Category of Director	Other Directorship in Indian Public Companies	No. of Other Companies Board's Committee	
					Chairpers on	Member
Mr. Kuldeep Kumar Sethia	YES	5	Chairman and Managing Director	NIL	NIL	NIL
Mr. Mali Chand Agarwala	YES	5	Independent Non Executive Director	NIL	NIL	NIL
Mr. Rajesh Shah	YES	5	Independent Non Executive Director	1	1	1
Mrs. Shweta Sethia	YES	5	Executive Director and Chief Financial Office	NIL	NIL	NIL
Mr. Manoj Kumar Chetani	YES	5	Independent Non Executive Director	1	NIL	NIL

Mr. Kuldeep Kumar Sethia and Mrs. Shweta Sethia are related to each other.

**(d) Information placed before the Board**

A detailed agenda folder is sent to each Director in advance of the Board Meetings. As a policy, all major decisions involving investments, in addition to matters which statutorily require the approval of the Board are placed before the Board for its consideration and direction, inter alia, the following information, as may be applicable and required, is provided to the Board as a part of the agenda paper.

- Quarterly, half yearly and annual result of the Company.
- Revenue and Capital Expenditure Budgets, as applicable.
- Minutes of the Audit and other Committees of the Boards.
- Materially important legal or taxation issues.
- Status of financial obligations to and by the Company.
- Any significant development in human resources or industrial relation.
- Details of risk exposure and steps taken by management to limit or restrain the risk.
- Compliance status with any regulatory, statutory or listing regulation related requirements or in relation to any shareholder services.

Board periodically review compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliance, if any.

**(e) Separate Meeting of the Independent Directors:**

The Independent Directors held a meeting on 21<sup>st</sup> March 2017 without the attendance of other Board Members. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- I) Reviewed the performance of Non-Independent Directors and the Board as a whole;
- II) Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**(f) Compliance Officer**

Name : Mr. Satish Kumar Thakur

Designation : Company Secretary and Chief Compliance Officer

**C. Committees of the Board**

Pursuant to the provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have constituted various committees of the Directors with adequate delegation of power to properly discharge business of the Company.

These Committees are:-

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination And Remuneration Committee

None of the committees was reconstituted during the year.

**(a) Audit Committee****(I) Composition and Terms of Reference**

The Audit Committee comprises of three Independent Non Executive Directors viz. Mr. Mali Chand Agarwala, Mr. Rajesh Shah and Mr. Manoj Kumar Chetani.

Terms of reference of the Audit Committee comprises the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, reliable and sufficient.
- Reviewing with the management and statutory auditors the quarterly/annual financial statements before submission to the Board and focusing primarily on:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause(c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - Any changes in the accounting policies and procedures.

- Compliance with accounting standards.
  - Adequacy of the internal control system, including management information system.
  - Compliances with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and other legal provisions conformity with their requirements concerning financial statements.
  - Major accounting entries based on the exercise of prudential judgement by the management.
  - Any related party transactions of the Company of a material nature that may cause potential conflict with the interest of the Company.
- Reviewing the Company's financial and risk management policy.
  - Recommending the appointment and removal of statutory and internal auditors and determination of the audit fees and also grant approval for payment for any other services.
  - Reviewing the scope and adequacy of the internal audit functions and deciding upon the scope of work of the Internal Auditors, discussing with Internal Auditors significant audit finding and follow up actions initiated thereon.
  - Any other matter that may be referred to the Committee from time to time.
  - The Audit Committee also reviews every quarter the Report on Corporate Governance Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - To review the function of the Vigil Mechanism and Whistle Blower Mechanism.
  - Scrutiny of Inter-corporate loans and investment.

## **(ii) Meetings and Attendance**

During the year under review four meetings of the committee were held on 30<sup>th</sup> May 2016, 09<sup>th</sup> August 2016, 10<sup>th</sup> November 2016 and 14<sup>th</sup> February 2017. The composition of the committee and the attendance of the members at the

<b>Name of Member</b>	<b>Designation in the Committee</b>	<b>No. of Meetings Attended</b>
Mr. Rajesh Shah	Chairman	4
Mr. Ma li Chan d Agarwala	Member	4
Mr. Manoj Kumar Chetani	Member	4

The Committee reviews various aspects of the internal control system, financial and risk management policies. The requirements in respect of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time are also reviewed by the Committee. The management makes a presentation before the Audit Committee on the observation and recommendation of the Statutory and Internal Auditors to strengthen control and compliance.

## **(b) Stakeholders' Relationship Committee**

The main function of the Stakeholders' Relationship Committee is to review the status of redressal of Shareholders/Investors complaints on a periodical basis.

## **(l) Composition and Terms of Reference**

The Stakeholders' Relationship Committee comprises of three Directors viz, Mr. Kuldeep Kumar Sethia, Mr. Mali Chand Agarwala and Mr. Manoj Kumar Chetani.



The Committee oversees the redressal of shareholders and investors complaints/ requests for transfer/transmission of shares, subdivision and consolidation of share certificates, the issue of duplicate share certificates, request for demat and remat of shares and non-receipt of the Annual Report. It also recommends measures for improvement in investor services. Committee keeps a close watch on the performance of M/s. ABS Consultant Pvt. Ltd, the Registrar & Share Transfer Agent of the Company. The Committee meets as often as is necessary for resolution of important matters within its mandate. There were no investors' complaints pending at the end of the financial year.

## **(ii) Meetings and Attendance**

During the year under review, one meeting of the committee was held on 21<sup>st</sup> February, 2017. The composition of the committee and the attendance of the members at the meeting were as follows:

<b>Name of Member</b>	<b>Designation in the Committee</b>	<b>No. of Meetings Attended</b>
Mr. Kuldeep Kumar Sethia	Chairman	1
Mr. Mali Chand Agarwala	Member	1
Mr. Manoj Kumar Chetani	Member	1

Minutes of the meeting of the Stakeholders' Relationship Committee are approved by the Chairman of the Committee and are noted by the Board at its next meeting.

## **(iii) Shareholders/Investors' Complaints Received and Resolved during the year**

During the year, the Company has not received any Shareholders/Investors' Complaints. There was no unresolved complaint as on 31<sup>st</sup> March, 2017.

## **© Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has complete discretion in determining /recommending the criteria for appointment of Executives, Directors and other officials at the Management level, reviewing and determining all elements of remuneration package, evaluating their performance etc.

### **(I) Composition and Terms of Reference**

The Nomination and Remuneration Committee comprises of three Directors viz. Mr. Rajesh Shah, Mr. Mali Chand Agarwala and Mr. Manoj Kumar Chetani. The Committee's constitution and terms of reference are in compliance with provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**The broad terms of reference of the Nomination and Remuneration Committee are as under:-**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance.
- To formulate 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.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To recommend/review remuneration of the Managing Director/Key Managerial Personnel based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and /or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## (ii) Meetings and Attendance

During the year under review one meeting of the committee was held on 30<sup>th</sup> May 2016 and 09<sup>th</sup> August 2016. The composition of the committee and the attendance of the members at the meeting were as follows:

Name of Member	Designation in the Committee	No. of Meeting Attended
Mr. Rajesh Shah	Chairman	2
Mr. Mali Chand Agarwala	Member	2
Mr. Manoj Kumar Chetani	Member	2

## (iii) Remuneration Policy

Except Chairman and Managing director, the remaining directors do not receive any remuneration, other than sitting fees for attending each Meeting of Board of Directors and Committees thereof. The Company has not paid any other remuneration to any other Directors

## D. Management

**(a) Management Discussion and Analysis:** The Directors' Report includes details of Management Discussion and Analysis of business of the Company.

**(b) Disclosures by the Management to the Board:** All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board and the Interested Directors neither participate in the discussion nor do they vote on such matters.

## E. Disclosures

### (a) Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Details of materially significant related party transactions that are the transactions of a material nature between the Company and the Promoters, Management, Directors or their relatives etc. are disclosed in the Note No. 20(B) of the Financial Statements in compliance with the Accounting Standard relating to "Related Party Disclosures".

There are no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which may have a potential conflict with the interest of the Company.

### b) Accounting Treatment in Preparation of Financial Statements

The Company has followed the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounting Standards) Rules, 2014 in preparation of its financial statement.

### (c) Risk Management

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has established a well documented and robust risk management framework. Under this framework, risks are identified across all business process of the Company on a continuous basis. Once identified, these risks are classified as Strategic risk, Business risk or Reporting risk. Strategic risks are those which are associated with the long term interest of the Company. Reporting risks are associated with incorrect or un-timely financial and non- financial reporting.

The Audit Committee and the Board of Directors review the Risk Management Strategy of the Company to ensure effectiveness of the Risk Management policy and procedures. Board of Directors of the Company is regularly apprised on the key risk assessment areas and a mitigation mechanism is recommended.

During the year, the Board has reviewed the risk assessment and a risk minimization procedure commensurate to the risks has been adopted and is in place.

**(d) Corporate Ethics**

As a reasonable corporate citizen, the Company consciously follows corporate ethics in business and corporate interactions. Company has framed codes and policies providing guidance for carrying business in ethical manner. Some of these policies are:

- i) Code for prevention of Insider Trading
- ii) Code of Conduct

**(e) Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification**

The Company is fully cognizant of the need to maintain adequate internal control to protect its assets and interests and for integrity and fairness in financial reporting and is committed to laying down and enforcing such controls of appropriate system and procedures. Towards this the Managing Director and Chief Financial Officer have certified to the Board by placing a certificate on the internal control related to the financial reporting process during the year ended 31<sup>st</sup> March, 2017.

**F. Shareholders Information**

**(a) Means of Communication**

In accordance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has maintained a functioning website at [www.mihika.co.in](http://www.mihika.co.in) containing the basic information about the Company viz. the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

The quarterly and annual audited financial results of the Company are sent to the Stock Exchange immediately after they are approved by the Board. The results are normally published in “Business Standard” in English and “Dainik Lipi”/ “Kalantar” in vernacular. The results are hosted on the website of the Company at [www.mihika.co.in](http://www.mihika.co.in).

Further the Company disseminates to the stock exchange where the equity shares of the Company are listed, all mandatory information and price sensitive / such other information which in its opinion are material and / or have a bearing on its performance/ operations and issue press releases wherever necessary for the information to public at large. For the benefit of the shareholders an email id has been created for the shareholders correspondence viz. [mihikaindustries@gmail.com](mailto:mihikaindustries@gmail.com).

**(b) Annual General Body Meetings of the Company**

Details of last three Annual General Meetings of the Company are as under:

AGM	Financial Year	Date	Time	Venue	Special resolution/s passed
33 <sup>rd</sup>	2015-16	September 29, 2016	1.00 P.M	3,Bentinck Street, 2 <sup>nd</sup> Floor, Kolkata -700001	Yes, For Re-appointment of MD u/s 196, 197 & 203 of Companies Act, 2013.
32 <sup>nd</sup>	2014-15	September 30, 2015	1.00 P.M	3,Bentinck Street, 2 <sup>nd</sup> Floor, Kolkata -700001	Yes, For Loan and Investment u/s 186 of Companies Act, 2013.
31 <sup>st</sup>	2013-14	September 30, 2014	1.00 P.M	3,Bentinck Street, 2 <sup>nd</sup> Floor, Kolkata -700001	None

**(c) Disclosures regarding Directors seeking appointment/ re-appointment**

Mrs. Shweta Sethia, Director of the Company retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

**(d) General Shareholders' information**

**(i) 34<sup>th</sup> Annual General Meeting:**

Saturday, 23<sup>rd</sup> September 2017 at 1.00 p.m.

Venue: Registered Office at 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata - 700001(W.B.)

**(ii) Last Date for receipt of Proxies**

21<sup>st</sup> September, 2017 (before 1 P.M. at the registered office of the Company.)

**(iii) Book Closure**

The register of member and share transfer book of the Company shall remain closed from 18.09.2017 to 23.09.2017 (both days inclusive).

**(iv) Tentative Financial Calendar**

First Quarter Result & Limited Review	Mid Aug, 2017
Second Quarter Result & Limited Review	Mid Nov, 2017
Third Quarter Result & Limited Review	Mid Feb, 2018
Audited Annual Result (2017-2018)	End May, 2018

**(v) Listing on Stock Exchange and Stock Code**

The name of the stock exchange where the equity shares of the Company is listed and the respective stock code are as follows:

Sl.No.	Name of the Stock Exchange	Scrip Code
1	BSE Limited	538895

Listing fees for the year 2017-2018 have been paid to the Stock Exchange within the stipulated time.

**(vi) Corporate Identification Number**

Corporate Identification Number of the Company allotted by the Ministry of Corporate Affairs Government of India is L70101WB1983PLC035638.

**(vii) Market Price Data**

During the year there has been no trading in BSE Ltd.

**(viii) Distribution of Shareholding as on 31<sup>st</sup> March, 2017**

Sl. No.	No. of Equity Shares	No. of Shareholder	% of total Shareholders'	No. of Shares held	% of total Shares
1	1 to 500	368	65.13	89830	0.90
2	501 to 1000	48	8.50	43415	0.43
3	1001 to 2000	54	9.56	85260	0.85
4	2001 to 3000	10	1.77	21625	0.22
5	3001 to 4000	Nil	Nil	Nil	Nil
6	4001 to 5000	Nil	Nil	Nil	Nil
7	5001 to 10000	Nil	Nil	Nil	Nil
8	10001 and Above	85	15.04	9759870	97.60
	<b>TOTAL</b>	<b>565</b>	<b>100</b>	<b>10000000</b>	<b>100</b>

**(ix) Details of Shareholding as on 31<sup>st</sup> March, 2017**

<b>Sl. No.</b>	<b>Category</b>	<b>No. of Shareholder</b>	<b>% of shareholder</b>	<b>No. of Shares Held</b>	<b>% of Share Holding</b>
<b>1</b>	Promoter	2	0.35	2402175	24.02
<b>2</b>	Financial Instructions, Banks and Mutual Funds	NIL	NIL	NIL	NIL
<b>3</b>	Private Corporate Bodies & Association	38	6.73	3123930	31.24
<b>4</b>	Indian Public	525	92.92	4473895	44.74
<b>5</b>	FII's	NIL	NIL	NIL	NIL
<b>6</b>	NRI, Foreign, National and OCBs	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>565</b>	<b>100</b>	<b>10000000</b>	<b>100</b>

**(x) Share Transfer System**

Share transfer are registered and returned normally within the period stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, from the date of receipt if the documents are clear in all respect. The Stakeholders' Relationship Committee is authorized to approve the transfer of shares.

**(xi) Address for Shareholders' Correspondence**

The Company has appointed M/s. ABS Consultant Pvt. Ltd. as its Registrar and Share Transfer Agent (RTA) for handling share registry for both physical and electronic modes. Accordingly, all correspondence, share for transfer, transmission, demat/remat requests and other communication in relation thereto should be mailed /hand delivered to the said RTA directly at the following address:

ABS Consultant Pvt. Ltd.  
(Unit: - Mihika Industries Limited)  
Room No. 99, 6<sup>th</sup> floor  
Stephen House  
4, B.B.D. Bag (East)  
Kolkata- 700 001

**(xii) Investor Relations**

In order to facilitate investor servicing, the Company has designated an e-mail id [mihikaindustries@gmail.com](mailto:mihikaindustries@gmail.com) for registering complaints by investors.

**G. Compliance**

**(a) Statutory Compliance, Penalties and Strictures**

The Company is regular in complying with the requirements of the Stock Exchange, SEBI and other statutory authorities on all the relevant matters. There were no cases of penalties or strictures imposed on the Company by any Stock Exchanges, SEBI or any other statutory authorities for any violation related to the Capital market / any other related matter during the year.

**(b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Compliance**

The Company complies with all the requirement of the Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**(c) Insider Trading**

The Company adopted the code of internal procedures and conduct framed under the SEBI (Prohibition of Insider Trading) Regulation, 2015 which, inter alia, prohibited the trading in shares by an 'insider' when in possession of unpublished price sensitive information

**(d) Code of Conduct and Ethics**

The Company laid down a Code of Conduct for the entire Board of Directors and senior management to avoid a conflict of interest. The Directors and the Senior Management affirmed compliance with Code of Conduct for the year 2016-2017. A declaration to this effect is attached to this report. The Code of Conduct is available on the Company's website [www.mihika.co.in](http://www.mihika.co.in).

There was no material, financial, commercial transactions in which the senior management had a personal interest, leading to a potential conflict of interest during the year under review.

**(e) Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity**

As on date there are no outstanding warrants or any other convertible instruments. The Company has not issued GDR/ADR.

**(f) Adoption of Non Mandatory Requirements**

The Company has not adopted any non mandatory requirements except relating to the maintenance of the office of the Non-Executive Chairman.

**(g) Auditors' Certificate on Corporate Governance**

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate from the Statutory Auditors regarding compliance of condition of Corporate Governance by the Company is annexed to the Director's Report.

**(h) Disclosure under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding certain Agreements with the Media Companies**

Pursuant to the Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company would like to inform that no agreement(s) have been entered into with the media companies and/or their associates which has resulted in/will result in any kind of shareholding in the Company and consequently any other related disclosure viz. details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. Nor has the Company entered into any other back to back treaties /contracts/agreements /MoUs or similar instruments with media companies and/or their associates.

**(H) Investor Safeguards and Other Information****(a) Update Address/Bank Details**

To receive all communications/corporate action promptly, shareholder holding shares in dematerialized form are requested to please update their address/bank details with the respective DPs and in case of physical shares, the update details have to be intimated to the Registrar and Share Transfer Agent/ Company.

**(b) Consolidate Multiple Holdings (in respect of physical holding)**

Members are requested to consolidate their shareholdings under multiple folios to eliminate receipt of multiple communications and this would ensure that future correspondence/corporate benefit could be sent to consolidated folio.

**(c) Register Email Address**

As you all may be aware, Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing Circulars 17/2011 and 18/2011 dated 21<sup>st</sup> April 2011 and 29<sup>th</sup> April 2011 whereby companies are permitted to send Notice/ documents including Annual Report in electronic mode, provided the Company has obtained email address of its members for sending these documents through email by giving an advance opportunity to every shareholder to register their email addresses and changes therein from time to time with the Company.

Accordingly, shareholders holding shares in physical form are requested to register their email addresses and changes therein from time to time, by directly sending the relevant email addresses along with the details such as name, address, folio no, no of shares held to the Registrar and Share Transfer Agent, M/s ABS Consultant Pvt. Ltd.

In respect of shares held in electronic form, the e-mail addresses along with DP ID/ Client ID and other shareholders details as mentioned above should be registered by the shareholders with their respective Depository Participants. Upon registration of the email address, the Company proposes to send notices and documents, in electronic form to such shareholders.

**(d) Address for Correspondence****Mihika Industries Limited**

3, Bentinck Street

2<sup>nd</sup> Floor, Kolkata-700 001

Telephone: 033-65366663

Fax: 033-22100875

E-mail: mihikaindustries@gmail.com

Website: www.mihika.co.in

**ABS Consultant Pvt. Ltd.**

(Unit: Mihika Industries Limited)

Room No. 99, 6th Floor, Stephen House,

4 B.B.D Bag (East), Kolkata-700 001

Telephone: 033-22301043/ 033-22430153

E-mail: absconsultant@vsnl.net

**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER  
in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Mihika Industries Limited ("the Company") to the best of our knowledge and belief, hereby certify that:

1. We have reviewed financial statements and cash flow statement of **Mihika Industries Limited** ('the Company'), in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended 31<sup>st</sup> March 2017, and to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal and violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control system pertaining to financial reporting.

We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and Audit Committee:
  - i. That there are no significant changes in internal control over financial reporting during the year;
  - ii. That there are no significant changes in accounting policies during the year and
  - iii. That there are no instances of significant fraud of which we have become aware.

Place: Kolkata Date:  
29<sup>th</sup> May, 2017

**Kuldeep Kumar Sethia**  
*Chairman and Managing Director*  
(DIN: 03325632)

**Shweta Sethia**  
*Chief Financial Officer*



## **CODE OF CONDUCT DECLARATION**

To,  
The Members  
Mihika Industries Limited

The Company has framed a specific Code of Conduct for the Members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with Stock Exchange to further strengthen corporate governance practices of the Company.

All the Members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it applicable to them and there is no non compliance thereof during the year ended 31<sup>st</sup> March, 2017.

**For Mihika Industries Limited**

Place: Kolkata  
Date: 29<sup>th</sup> May, 2017

**Kuldeep Kumar Sethia**  
*Chairman and Managing Director*  
(DIN: 00325632)

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**  
**(in terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To  
The Members  
Mihika Industries Limited

We have examined the compliance of the conditions of Corporate Governance by **Mihika Industries Limited** ('the Company') for the year ended on 31<sup>st</sup> March, 2017 as stipulated in regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31<sup>st</sup> March 2017.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, as applicable.

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 J. Gupta & Co.**  
*Chartered Accountants*  
Firm Reg. No.314010E

Place: Kolkata  
Date: 29<sup>th</sup> May, 2017

**Nancy Murarka**  
*Partner*  
Membership No.067953

## **INDEPENDENT AUDITORS' REPORT**

**The Members,  
Mihika Industries Limited,**

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

We have audited the accompanying financial statements of **MIHIKA INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and 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 are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its Profit and its 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 issued by the Central Government in terms of sub-section (11) of section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure ('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 sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the Directors as on March 31, 2017, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors), Rules 2014, in our opinion and to the best of our information and according to the explanations given to us;
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management, Refer Note No. 20 (C).

**For J. Gupta & Co.**  
*Chartered Accountants*  
Firm Reg. No.314010E

Place: Kolkata  
Date: 29th May, 2017

**Nancy Murarka**  
*Partner*  
Membership No.067953

**ANNEXURE 'A' TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MIHIKA INDUSTRIES LIMITED**

Referred to in Paragraph 1 under section "Report on Other Legal and Regulatory Requirements", of our report of even date

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets  
(b) These fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification;  
(c) The company does not possess any immovable property and hence this clause is not applicable.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
3. As per information and explanations given to us, the company has not granted loans to Company, Firm, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of paragraph 3(iii)(a) to (c) of the order are not applicable to the company.
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 given to us and on the basis of our examination of the books of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.

(b) On the basis of the information and explanations given to us, there are no material dues with respect to income tax or sales tax or service tax or duty of customs or duty of excise or value added tax pending with appropriate authorities on account of any dispute.

8. The Company has not availed 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 to the company.
9. The Company has not raised 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 to the company.

10. To the best of our knowledge and 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 given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
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 to the company.
13. In our opinion and according to information and explanations given to us, the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the Financial Statements as required by applicable Accounting Standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. In our opinion and 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. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For J. Gupta & Co.**  
*Chartered Accountants*  
FRN.: 314010E

Place: Kolkata  
Date: 29th May, 2017

**Nancy Murarka**  
*Partner*  
Membership No.067953

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MIHIKA INDUSTRIES LIMITED**

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 **Mihika Industries Limited (“the Company”)** as of 31st March, 2017 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 (GAAP), 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, to the best of our information and according to the explanations given to us, 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<sup>st</sup> March, 2017, 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 J. Gupta & Co.**  
*Chartered Accountants*  
FRN:314010E

Place: Kolkata  
Date: 29th May, 2017

**Nancy Murarka**  
*Partner*  
Membership No.067953

**BALANCE SHEET AS AT 31ST MARCH, 2017**
**(IN RUPEES)**

S. N.	PARTICULARS	NOTE NO.	FIGURES AS AT 31/03/2017	FIGURES AS AT 31/03/2016
I.	<b><u>EQUITY AND LIABILITIES</u></b>			
1.	<b><u>SHAREHOLDERS FUNDS</u></b>			
	(a) Share Capital	2	100,000,000	100,000,000
	(b) Reserves & Surplus	3	148,744,730	147,489,616
			248,744,730	247,489,616
2.	<b><u>CURRENT LIABILITIES</u></b>			
	Other Current Liabilities	4	14,375	55,300
			14,375	55,300
	<b>TOTAL ( 1 + 2 )</b>		<b>248,759,105</b>	<b>247,544,916</b>
II.	<b><u>ASSETS</u></b>			
1.	<b><u>NON-CURRENT ASSETS</u></b>			
	(a) Fixed Assets			
	(i) Tangible Assets	5	143,145	65,393
	(b) Non Current Investments	6	5,641,684	9,222,954
	(c) Deferred Tax Asset (Net)	7	36,741	48,708
			5,821,570	9,337,055
2.	<b><u>CURRENT ASSETS</u></b>			
	(a) Trade Receivable	8	1,975,493	1,975,493
	(b) Cash & Cash Equivalents	9	1,016,196	4,470,893
	(c) Short Term Loans & Advances	10	228,029,132	165,836,118
	(d) Other Current Assets	11	11,916,715	65,925,357
			242,937,535	238,207,861
	<b>TOTAL ( 1 + 2 )</b>		<b>248,759,105</b>	<b>247,544,916</b>

Summary of Significant Accounting Policies 1

Additional information to financial statements 20

The accompanying notes are an integral part of the financial statements.

In Terms of our report attached

For J. GUPTA & CO.  
Chartered Accountants  
FRN: 314010E

NANCY MURARKA  
Partner  
Membership Number: 067953

Dated the 29th Day of May, 2017  
Place: Kolkata

For and on behalf of Board of Directors:

KULDEEP KUMAR SETHIA (Chairman and Managing Director)

MALI CHAND AGARWALA (Director)

MANOJ KUMAR CHETANI (Director)

RAJESH SHAH (Director)

SHWETA SETHIA (Executive Director and CFO)

SATISH KUMAR THAKUR (Company Secretary)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

(IN RUPEES)

S. N.	PARTICULARS	NOTE NO.	FIGURES AS AT 31/03/2017	FIGURES AS AT 31/03/2016
I	Revenue from Operations	12	17,674,678	12,348,113
II	Other Income	13	15,202,088	6,863,445
III	<b>TOTAL REVENUE (I+II)</b>		<b>32,876,766</b>	<b>19,211,558</b>
IV	<b>EXPENSES</b>			
	Purchases	14	20,068,330	13,201,800
	Changes in Stock-inTrade	15	-	221,064
	Employee Benefits Expense	16	4,288,361	2,396,923
	Depreciation & Amortisation Expenses	17	28,248	15,890
	Other Expenses	18	7,032,556	3,168,002
V	<b>TOTAL EXPENSES</b>		<b>31,417,495</b>	<b>19,003,679</b>
VI	<b>PROFIT BEFORE TAX (III-V)</b>		<b>1,459,271</b>	<b>207,879</b>
VII	<b>TAX EXPENSE</b>			
	Earlier Year Tax		80	-
	Current Tax		192,110	-
	Deferred Tax		11,967	81,983
			204,157	81,983
VIII	<b>PROFIT/ (LOSS) FOR THE PERIOD (VI-VII)</b>		<b>1,255,114</b>	<b>125,896</b>
IX	<b>EARNING PER EQUITY SHARE</b>	19		
	Basic		0.13	0.01
	Diluted		0.13	0.01

Summary of Significant Accounting Policies 1  
 Additional information to financial statements 20

The accompanying notes are an integral part of the financial statements.

In Terms of our report attached

For J. GUPTA & CO.  
 Chartered Accountants  
 FRN: 314010E

NANCY MURARKA  
 Partner  
 Membership Number: 067953

Dated the 29th Day of May, 2017  
 Place: Kolkata

For and on behalf of Board of Directors:

KULDEEP KUMAR SETHIA (Chairman and Managing Director)

MALI CHAND AGARWALA (Director)

MANOJ KUMAR CHETANI (Director)

RAJESH SHAH (Director)

SHWETA SETHIA (Executive Director and CFO)

SATISH KUMAR THAKUR (Company Secretary)

# MIHIKA INDUSTRIES LIMITED

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

PARTICULARS	In Rupees	
	Year Ended 31/03/2017	Year Ended 31/03/2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/ (Loss) before tax & extra ordinary items	1,459,271	207,879
<b>Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows :-</b>		
Depreciation	28,248	15,890
Profit on sale	(5,367,100)	-
Dividend Received	(264,500)	-
Interest on Loan	(9,570,489)	(9,194,430)
<b>Operating profit/(loss) before working capital changes</b>	<b>(13,714,569)</b>	<b>(8,970,661)</b>
<b>Movements in working capital :-</b>		
Inventories	-	221,064
Short Term Loans & Advances	(62,193,014)	-
Other Current Liabilities	(40,925)	8,198
Other Current Assets	54,008,642	14,755,983
<b>Cash Generated/(used in) from Operation</b>	<b>(21,938,866)</b>	<b>6,014,584</b>
Direct Taxes Paid	192,191	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(22,132,057)</b>	<b>6,014,584</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Asset	(106,000)	(49,000)
Sales of Investments	8,948,370	3,696,222
Increase/(Decrease) in Loans & Advances	-	(25,183,150)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>8,842,370</b>	<b>(21,535,928)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend	264,500	-
Interest on Loan	9,570,489	9,194,430
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>9,834,989</b>	<b>9,194,430</b>
<b>Net Change In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(3,454,698)</b>	<b>(6,326,914)</b>
Cash & Cash Equivalents' Opening Balance	4,470,893	10,797,807
<b>Cash &amp; Cash Equivalents' at the end of the year</b>	<b>1,016,196</b>	<b>4,470,893</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Cash in hand	443,872	2,098,351
With bank:		
- In current account	572,324	2,372,543
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,016,196</b>	<b>4,470,893</b>

### Notes:

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3 as notified under the Companies(Accounting Standards Rules), 2006.
- Figures in brackets indicate cash outflow.
- Previous year's figures have been rearranged wherever necessary to conform to the current year's presentation.

### In Terms of our attached

**For J. GUPTA & CO.**  
Chartered Accountants  
FRN: 314010E

**NANCY MURARKA**  
Partner  
Membership Number: 067953

Dated the 29th Day of May, 2017  
Place: Kolkata

### For and on behalf of Board of Directors:

**KULDEEP KUMAR SETHIA** (Chairman and Managing Director)

**MALI CHAND AGARWALA** (Director)

**MANOJ KUMAR CHETANI** (Director)

**RAJESH SHAH** (Director)

**SHWETA SETHIA** (Executive Director and CFO)

**SATISH KUMAR THAKUR** (Company Secretary)

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES:**

NO

**(A) Corporate Information:**

The main business of the Company is that of Trading in Commodities and Fabrics, Commission Agent and Investment.

**(B) Basis of Preparation of Financial Statements:****(I) System of Accounting**

The Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("The Act") and relevant provisions of the Act. The Financial Statements have been prepared on accrual basis under the historical cost convention. The Accounting Policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

**(II) Use of Estimates**

The Preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

**(C) Revenue Recognition:**

- i) Sales of the stock in trade are recognised, on transfer of significant risks & rewards of ownership to the buyer, which generally coincides with delivery of goods to the buyers.
- ii) Dividend on shares & securities is recognised on receipt basis.
- iii) Interest is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

**(D) Fixed Assets and Depreciation**

All fixed assets are stated at cost, comprising of purchase price, duty, levies and direct attributable cost of bringing the assets to their working condition for the intended use. Depreciation on fixed Asset is provided using the straight line method based on rates specified in Schedule II of the Companies Act 2013.

**(E) Investments**

Long Term Investments are stated at cost. The company provides for diminution, other than temporary, in the value of long term investments. Current Investments, if any are valued at cost or fair market value whichever is lower.

**(F) Employee Benefits:**

Contribution of Provident Fund, Gratuity and Leave encashment benefits wherever applicable is being accounted on actual liability basis as and when arises. However, the above referred provisions are not applicable to the company as it does not fall within the purview of the same in the year under review.

**(G) Inventories :**

Inventories are valued at lower of cost and Net Realisable Value. Cost comprises all cost of purchases and other costs incurred in bringing the inventories to their present condition. Cost is determined by FIFO method.

**(H) Earning Per Share :**

The Basic Earning Per Share ("EPS") is calculated by dividing the net profit after tax for the period by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for the events, such as bonus share, other than conversion of potential equity share, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of dilutive potential equity shares.

**(I) Provisions for Taxation :**

The expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charges or credit (reflecting the tax effects of timing difference between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**(J) Provisions and Contingencies :**

i) Provision is recognised (for liabilities that can be measured by using a substantial degree of estimation) when:

- a) The Company has a present obligation as a result of a past event.
- b) A probable outflow of resources embodying economic benefits is expected to settle the obligation; and
- c) The amount of the obligation can be reliably estimated.

ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**  
(FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017)

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT 31/03/2017	FIGURES AS AT 31/03/2016		
2	<b>SHARE CAPITAL:</b>				
	<b>(1) AUTHORISED</b>				
	10000000 Equity Shares of Rs.10/- each	100,000,000	100,000,000		
		<u>100,000,000</u>	<u>100,000,000</u>		
	<b>(2) ISSUED, SUBSCRIBED &amp; PAID UP</b>				
	10000000 Equity Shares of Rs.10/- each	100,000,000	100,000,000		
		<u>100,000,000</u>	<u>100,000,000</u>		
a)	<b>Reconciliation of number of shares :</b>				
	<b>Equity Shares:</b>	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
	No. of Equity Shares outstanding at the beginning of the year	10000000	100,000,000	10000000	100,000,000
	Add: Equity Shares issued during the year	-	-	-	-
	Less: Shares forfeited/bought back during the year	-	-	-	-
	No. of Equity Shares outstanding at the end of the year	<u>10000000</u>	<u>100,000,000</u>	<u>10000000</u>	<u>100,000,000</u>
b)	<b>Rights, preferences and restrictions attached to shares:</b>				
	The Company has issued one class of equity shares having a face value of Rs. 10 per share. Each shareholder has right to vote in respect of such share, on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.				
c)	<b>List of shareholders holding more than 5% of shares as on the date of Balance Sheet:</b>				
	<b>Shareholder</b>	<b>No. of Shares</b>	<b>% of Share</b>	<b>No. of Shares</b>	<b>% of Share</b>
	Jain Commodity Broking Pvt.Ltd.	2400000	24%	2400000	24%
3	<b>RESERVE &amp; SURPLUS:</b>				
a)	<b>GENERAL RESERVES</b>				
	At the Beginning of The Year		485,000		485,000
	Additions during the year		-		-
	At the end of the year		<u>485,000</u>		<u>485,000</u>
b)	<b>SECURITIES PREMIUM ACCOUNT</b>				
	At the Beginning of The Year		146,398,950		146,398,950
	Additions during the year		-		-
	At the end of the year		<u>146,398,950</u>		<u>146,398,950</u>
c)	<b>SURPLUS</b>				
	At the Beginning of The Year		605,666		479,770
	Add : Net Profit for the year		1,255,114		125,896
	At the end of the Accounting Period		<u>1,860,780</u>		<u>605,666</u>
	<b>TOTAL ( a + b + c )</b>		<u>148,744,730</u>		<u>147,489,616</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**  
(FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017)

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT				
		31/03/2017	31/03/2016			
<b>4</b>	<b><u>OTHER CURRENT LIABILITIES:</u></b>					
	Outstanding Liabilities	14,375	41,738			
	Outstanding Charges Payable	-	13,562			
		<u>14,375</u>	<u>55,300</u>			
<b>5</b>	<b><u>FIXED ASSETS:</u></b>					
	<b><u>Tangible Assets</u></b>					
	<b><u>Gross Block (Computer):</u></b>					
	Cost at the beginning of year	85,720	36,720			
	Additions	106,000	49,000			
	<b>Cost at end of year</b>	<u>191,720</u>	<u>85,720</u>			
	<b><u>Accumulated Depreciation :</u></b>					
	Accumulated Depreciation at beginning of year	20,327	4,437			
	Depreciation for the year	28,248	15,890			
	<b>Depreciation at end of year</b>	<u>48,575</u>	<u>20,327</u>			
	Net block at beginning of year	65,393	32,283			
	<b>Net block at end of year</b>	<u>143,145</u>	<u>65,393</u>			
<b>6</b>	<b><u>NON CURRENT INVESTMENTS:</u></b>					
	<b><u>Long Term. At Cost. Non-Trade</u></b>					
<b>a</b>	<b><u>Equity Instruments (Quoted)</u></b>	<b>Face Value</b>	<b>Quantity</b>	<b>Amount</b>	<b>Quantity</b>	<b>Amount</b>
	Bajaj Hindustan Ltd.	1/-	-	-	100,000	1,716,471
	Bannari Amman Sugars Ltd.	10/-	-	-	115	121,027
	Precot Meridien Ltd.	10/-	-	-	30,000	1,651,122
	Gokaldas Exports Ltd.	5/-	-	-	14,283	773,829
	Matra Koushal Enterprise Ltd.	1/-	8,000	400,504	8,000	400,504
	Rajlaxmi Industries Ltd.	1/-	30,000	768,117	30,000	768,117
	Sam Leasco Ltd.	1/-	22,000	953,951	22,000	953,951
	Thiru Arooran Sugars Ltd	10/-	-	-	6,293	295,767
	The West Coast Paper Mills Ltd.	2/-	-	-	5,000	290,166
	Tata Consultancy Services Ltd.	1/-	500	1,267,111	-	-
	<b>Total (a)</b>		<u>60,500</u>	<u>3,389,684</u>	<u>85,576</u>	<u>6,970,954</u>
<b>b</b>	<b><u>Bonds (Quoted)</u></b>					
	HUDCO-8.2% Tax Free Bonds	1000/-	925	925,000	925	925,000
	IRFC- 8.1% Tax Free Bonds	1000/-	408	408,000	408	408,000
	REC -8.12% Tax Free Bonds	1000/-	919	919,000	919	919,000
	<b>Total (b)</b>		<u>2,252</u>	<u>2,252,000</u>	<u>2,252</u>	<u>2,252,000</u>
	<b>TOTAL (a+b)</b>		<u>62,752</u>	<u>5,641,684</u>	<u>87,828</u>	<u>9,222,954</u>
	<b>Aggregate market value of Quoted Investments</b>			<u>4,253,597</u>		<u>8,020,023</u>
<b>7</b>	<b><u>DEFERRED TAX ASSETS (NET):</u></b>					
	On account of carried forward losses			52,535		130,691
	On account of depreciation			(15,794)		(81,983)
				<u>36,741</u>		<u>48,708</u>
<b>8</b>	<b><u>TRADE RECEIVABLES:</u></b>					
	Trade receivables exceeding six months			1,975,493		1,975,493
				<u>1,975,493</u>		<u>1,975,493</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**  
(FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017)

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT 31/03/2017	FIGURES AS AT 31/03/2016
9	<b>CASH &amp; CASH EQUIVALENTS:</b>		
	Balance with Bank in Current Account	522,393	837,518
	Cheque in hand	49,931	1,535,025
	Cash in hand	443,872	2,098,351
		<u>1,016,196</u>	<u>4,470,893</u>
10	<b>SHORT TERM LOANS &amp; ADVANCES:</b>		
	Loans (Unsecured, considered good)		
	(a) To related parties	-	-
	(b) To others	227,121,318	165,000,000
	<b>Advances:</b>		
	Income Tax Refundable	120,024	117,638
	TDS for the year	979,900	718,480
	Less: Provision for Taxation	<u>192,110</u>	<u>-</u>
		<u>228,029,132</u>	<u>165,836,118</u>
11	<b>OTHER CURRENT ASSETS:</b>		
	Other Debts	-	55,765,000
	Interest Accrued and due	11,916,715	10,160,357
		<u>11,916,715</u>	<u>65,925,357</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**  
(FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017)

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT 31/03/2017	FIGURES AS AT 31/03/2016
<b>12</b>	<b>REVENUE FROM OPERATION:</b>		
	Sales of Fabrics	17,674,678	12,348,113
	<b>Net Revenue From Operations</b>	<b>17,674,678</b>	<b>12,348,113</b>
<b>13</b>	<b>OTHER INCOME:</b>		
	Interest	9,354,000	9,194,430
	Dividend	264,500	25,000
	Interest on Tax Free Bonds	183,521	183,521
	Interest on Income Tax Refund	32,968	-
	Profit/(Loss) on Equity Derivatives	-	(2,737,804)
	Profit on Sale of Investments	5,367,100	159,934
	Profir/(Loss) from Share Dealings	-	38,364
		<b>15,202,088</b>	<b>6,863,445</b>
<b>14</b>	<b>PURCHASES :</b>		
	Purchase of Fabrics	20,068,330	13,201,800
		<b>20,068,330</b>	<b>13,201,800</b>
<b>15</b>	<b>CHANGES IN STOCK-IN-TRADE:</b>		
	Opening Stock	-	221,064
	Less: Closing Stock	-	-
		<b>-</b>	<b>221,064</b>
<b>16</b>	<b>EMPLOYEE BENEFITS EXPENSE:</b>		
	Salary	3,604,181	1,983,333
	Staff Welfare	684,180	413,590
		<b>4,288,361</b>	<b>2,396,923</b>
<b>17</b>	<b>DEPRECIATION &amp; AMORTISATION EXPENSES:</b>		
	Depreciation	28,248	15,890
		<b>28,248</b>	<b>15,890</b>
<b>18</b>	<b>OTHER EXPENSES:</b>		
	Advertisement and Publicity Expense	296,534	92,435
	Auditors' Remuneration		
	For Statutory Audit	11,500	11,450
	For Tax Audit	2,875	2,863
	For Others	4,600	4,570
	Books & Periodicals	384,780	94,271
	Conveyance	684,750	222,786
	Depository & RTA Charges	105,501	92,340
	Fees To Stock Exchanges	229,000	232,000
	Filing Fees	3,600	37,200
	General Expenses	1,932,741	882,576
	Miscellaneous Expenses	811,597	213,824
	Office Maintainance Expenses	748,560	236,420
	Postage & Courier Exp.	336,451	110,875
	Printing & Stationery	473,142	224,200
	Professional Charges	252,600	153,000
	Rent, Rates & Taxes	149,000	149,000
	Telephone Expenses	280,745	195,482
	Travelling Expenses	324,580	212,710
		<b>7,032,556</b>	<b>3,168,002</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**  
(FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017)

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES AS AT 31/03/2017	FIGURES AS AT 31/03/2016
<b>19</b>	<b><u>EARNING PER SHARE (EPS)</u></b>		
	Profit attributable to Equity Shareholders (A)	1,255,114	125,896
	Weighted average no. of Equity Shares (B)	10,000,000	10,000,000
	Basic and Diluted EPS (A/B)	0.13	0.01
	Face Value of Equity Shares	10.00	10.00

**20 Additional information to financial statements**

**(A) Dues to SMEs :**

There are no dues to Micro and Small Enterprises, that are reportable under the Micro, Small and Medium Enterprises Development Act, 2006

**(B) Related Party Disclosure :**

<b>1 Relationship:</b>	
Key Management Personnel	
a.	Mr. Kuldeep Kumar Sethia, Managing Director
b.	Ms. Varsha Khandelwal, Company Secretary and Compliance Officer*
c.	Mr. Satish Kumar Thakur, Company Secretary and Compliance Officer**
d.	Ms. Shweta Sethia, Chief Financial Officer

\* Ms Varsha Khandelwal resigned on 09/08/2016

\*\* Mr. Satish Kumar Thakur Appointed on 09/08/2016

<b>2 The following is a summary of related party transaction</b>	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>Remuneration to:</b>	Amount (Rs.)	Amount(Rs.)
a. Managing Director	525,000	450,000
b. Company Secretary and Compliance Officer	191,917	192,500
c. Chief Financial Officer	300,000	300,000

**(C) Disclosure regarding details of Specified Bank Notes (SBN) held and transacted during the period from the 8<sup>th</sup> November,2016 to 30<sup>th</sup> December, 2016 (as required by notification No. G.S.R 308(E) dated 30/03/2017 of Ministry of Corporate Affairs) :-**

	SBN (Rs.)	Other Denomination Notes (Rs.)	Total (Rs.)
Closing Cash in Hand as on 8.11.2016	500	1,123,113	1,123,613
(+) Permitted Receipts	-	300,000	300,000
(-) Permitted Payments	-	922,050	922,050
(-) Amount Deposited in Banks	500	-	500
Closing Cash in Hand as on 30.12.2016	-	501,063	501,063

(D) The main business of the Company is Trading of Merchandise and Commission Agency. This is in context of Accounting standard -17 on segment reporting notified by the Company(Accounting Standard) Rules 2006, is considered to constitute a single primary segment.

(E) The figures have been rounded off to nearest rupee.

(F) The figures of previous year have been regrouped / recast wherever considered necessary to make them comparable with those of current year.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**  
**(FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017)**

(G) Disclosure u/s 186(4) of the Companies Act, 2013 regarding Loans given, Investment made or Guarantees given or Securities

**1) Loans given**

Particulars	(Rs. in Lacs)	
	2016-17	2015-16
Subsidiary/Associates	NIL	NIL
Inter Corporate Deposits/Others	2,271.21	1,650.00

Notes:

(i) All loans are given to unrelated corporate entities/ others at interest rates above the prevailing yield for Government Securities for one year .

(ii) All loans are short term in nature.

(iii) All the loans are provided for business purpose of respective entities, repayable on demand with prepayment option to the borrower.

**2) Investment made**

There are no investments by the Company other than those stated under Note No. 6 in the Financial Statements.

**3) Guarantees Given**

There are no guarantees given during the year.

**4) Securities Provided**

There are no securities provided during the year.

**In Terms of our report attached**

**For J. GUPTA & CO.**  
**Chartered Accountants**  
**FRN: 314010E**

**NANCY MURARKA**  
**Partner**  
**Membership Number: 067953**

**For and on behalf of Board of Directors:**

**KULDEEP KUMAR SETHIA** *(Chairman and Managing Director)*

**MALI CHAND AGARWALA** *(Director)*

**MANOJ KUMAR CHETANI** *(Director)*

**RAJESH SHAH** *(Director)*

**SHWETA SETHIA** *(Executive Director and CFO)*

**Dated the 29th Day of May, 2017**

**Place: Kolkata**

**SATISH KUMAR THAKUR** *(Company Secretary)*



**MIHIKA INDUSTRIES LIMITED**

CIN –L70101WB1983OLC035638

Regd. Office: 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata – 700 001  
Phone: 03365366663; Fax:03322100875; email: [mihikaindustries@gmail.com](mailto:mihikaindustries@gmail.com); website: [www.mihika.co.in](http://www.mihika.co.in)

**FORM NO. MGT-11**

**PROXY FORM**

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

Name of the member(s):	
Registered Office:	
Folio No./ DP ID :Client ID:	
E-mail ID:	

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

1.Name:..... Address:.....

E-mail Id: ..... Signature:.....,.....or failing him

2.Name:..... Address:.....

E-mail Id: ..... Signature:.....,.....or failing him

3.Name:..... Address:.....

E-mail Id: ..... Signature:.....,.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on 23<sup>rd</sup> day of September, 2016 at 1.00 P.M at 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata - 700001 and at any adjournment thereof in respect of such resolution as are indicated below:

**Ordinary Business:**

Resolution No.	Particulars of Resolution	Optional	
		For	Against
1.	To receive, consider and adopt Audited Financial Statements for the the financial year ended 31 <sup>st</sup> March, 2017 together with the Director’s Report and the Auditors’ Report thereon.		
2.	Ratification of the appointment of Statutory Auditor of the Company for the financial year 2017-18 and to fix their remuneration.		
3.	Re-appointment of Mrs. Shweta Sethia (DIN: 01111566), who retires by rotation and being eligible, offers herself for re-appointment.		

Signed this.....day of ..... 2017

Affix Rs.1  
Revenue  
Stamp

Signature of the Shareholder.....

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

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company at 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata – 700001, not less than 48 hours before the commencement of the meeting.



**MIHIKA INDUSTRIES LIMITED**

CIN –L70101WB1983OLC035638

Regd. Office: 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata – 700 001  
Phone: 03365366663; Fax:03322100875; email: [mihikaindustries@gmail.com](mailto:mihikaindustries@gmail.com); website: [www.mihika.co.in](http://www.mihika.co.in)

**ATTENDANCE SLIP-34<sup>TH</sup> ANNAUL GENERAL MEETING**

(Please sign and handover at the entrance of the Meeting Hall)

<b>Regd. Folio / DP ID &amp; Client ID</b>
<b>Name and Address of the Shareholder</b>

1. I hereby record my presence at the 34<sup>th</sup> **ANNUAL GENERAL MEETING** of the Company being held on **23<sup>rd</sup> September, 2017** at 1.00 P.M. at the Registered Office of the Company at 3, Bentinck Street, 2<sup>nd</sup> Floor, Kolkata-700001

2. Signature of the Shareholder/Proxy Present

--

3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.
4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

**Note:** - PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIPTO THE MEETING.

**ELECTRONIC VOTING PARTICULARS**

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No. as under	(4) Bank Account No.
			(See Note No.1)

**Notes:**

- (1) Where Bank Account Number is not registered with the Depositories or Company please enter your User Id. as mentioned in column (2) above.
- (2) Please read the Instructions printed under the Note No. 11 to the Notice dated 29.05.2017 of the 34<sup>th</sup> Annual General Meeting. The e-voting period starts from 9.00 A.M. on 20.09.2017 and ends at 5.00 P.M. on 22.09.2017, the e-voting module shall be disabled by Central Depository Services (India) Ltd. for voting thereafter.





**MIHIKA INDUSTRIES LIMITED**

**3, Bentinck Street, 2nd Floor, Kolkata - 700 001**