
**SIXTH ANNUAL REPORT
2016-2017**

electronics

MYSTIC

CORPORATE INFORMATION

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PAGE NO.

BOARD OF DIRECTORS

Mr. Krishan Khadaria Director
 Mr. Manoj Bhatia Director
 Mr. Tarun Keram Director
 Ms. Kartikee Yadav Additional Director

Ms. Manisha Swami Company Secretary
 Mr. Rajesh Agrawal Chief Financial Officer
 Ms. Parvati Nirban Manager

AUDIT COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

AUDITORS

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

BANKERS

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

REGISTERED OFFICE

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

REGISTRAR & TRANSFER AGENT

Bigshare Services Pvt. Ltd.
 1st Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis,
 Makwana Road, Marol, Andheri (E), Mumbai - 400 059.
 Tel.: 022-62638200 Fax: 022-62638299
 E-mail: info@bigshareonline.com

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End of Report

NOTICE

Notice is hereby given that the **Sixth Annual General Meeting** of the Members of Mystic Electronics Limited (Formerly known as Pearl Electronics Limited) will be held on **Tuesday, 26th September, 2017, at 11:00 a.m. at Vyanjan Banquet Hall, 43, Oshiwara Link Plaza, Next to Oshiwara Police Station, Link Road, Andheri (West), Mumbai- 400102** to transact the following business: -

ORDINARY BUSINESS:

1. Adoption of Financial Statement:

To receive, consider and adopt the Statement of Profit and Loss for the year ended March 31, 2017 and the Balance Sheet as on that date together with the Reports of the Directors and the Auditors thereon.

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

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

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

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

3. Ratification of Appointment of Auditors:

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

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of **M/s. Bansal Bansal & Company, Chartered Accountants (Firm Registration No. 100986W)**, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 9th AGM of the Company to be held in the year 2019-20 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. To regularize and appoint **Ms. Kartikee Yadav** (DIN: 03407088) as Non-Executive Director and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligation and Disclosure Requirement), 2015, **Ms. Kartikee Yadav (DIN: 03407088)** who was appointed as an Additional Director of the Company

by the Board of Directors at its meeting held on 14th February, 2017 and who holds office until the conclusion of this Annual General Meeting, and in respect of whom Company has received a notice in writing with the requisite sum of Rupees One Lakh under Section 160 of the Companies Act, 2013 from the member, proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company, whose term of office shall be subject to retirement by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized do all such acts, deeds, matters and things as may be necessary and sign and execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned therewith or incidental thereto."

5. To approve the material related party transactions, in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification (s) or amendment (s) or re-enactment (s) thereof, for time being in force), approval of the members of the company be and is hereby accorded to the material related party transaction entered into between the Company and Kashish Multi Trade Private Limited, a related party, for an aggregate value of Rs. 2.50 Crores (Rupees Two Crores Fifty Lakhs Only) for the Financial Year 16-17.

RESOLVED FURTHER THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 (the 'Rules') and along with the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, including any statutory modification (s) or amendment (s) or re-enactment (s) thereof, for time being in force), approval of the members of the company be and is hereby accorded to the proposed material related party transactions to be entered into between the Company and Kashish Multi Trade Private Limited, for a maximum limit upto Rs. 10 Crores (Rupees Ten Crores Only) per annum from the Financial Year 2016-17 onwards for each of the Financial Year.

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

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

Sd/-
Krishan Khadaria
Director
DIN: 00219096

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

Place : Mumbai
Dated: 23rd August, 2017

NOTES:

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

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

2. The members/ proxies are requested to bring their copy of the Annual Report to the meeting along with duly filled in attendance slips for attending the meeting.
3. Members / Proxy coming to attend the Annual General Meeting are requested to carry their original photo ID (passport/driving license/ voter's card/PAN card) proof with them for the purpose of verification at the venue.
4. When a member appoints a proxy and both the member and proxy attend the meeting, the proxy stands automatically revoked.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting
7. A Statement pursuant to Section 102 of the Act and Secretarial Standard on General Meetings (SS-2), relating to the Special Business to be transacted at the Meeting is annexed hereto.
8. Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 in respect of Director retiring by rotation and being re-appointed has been provided in the "**ANNEXURE I**" to this Notice.
9. The Register of Members and the share transfer books of the Company shall remain closed from Tuesday, 19th September, 2017 to Tuesday 26th September, 2017, (both days inclusive).
10. Members are requested to notify immediately any change in their communication address to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID Number and to M/s. Bigshare Services Private Limited, Company's Registrar & Share Transfer Agent, in respect of their holding in physical shares, quoting Folio No.
11. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013 read with the Rules made thereunder are requested to send the prescribed Form SH-13 to the Registered Office of the Company. Any change or cancellation of the nomination already given is to be given in Form SH-14. Form SH-13 and Form SH-14 are available on the Company's website for download.
12. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website- www.mystic-electronics.com

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Company's Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited.
14. Electronic copy of the annual report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the annual report for 2016-17 are being sent to them. The Notice of the Meeting is also posted on the website of the Company www.mystic-electronics.com.
15. To support the green initiatives of the Government, members who have not registered their e-mail address so far are requested to register their e-mail address, in respect of their electronic holdings with the Depository through their concerned Depository Participants and members who hold shares in physical form are requested to register their e-mail address with the Registrar of the Company i.e. M/s. Bigshare Services Private Limited., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059.
16. In Accordance with the provisions of Section 108 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, read with Rule 20 of the Companies(Management and Administration) Rules, 2014 and amendment thereto and Regulation 44 of SEBI(Listing Obligations and Disclosure Requirements) Regulation's, 2015, the Company has engaged the services of National Securities Depositories Limited (NSDL) to provide remote e-voting facility to all the members to enable them to cast their votes electronically in respect of the business to be transacted at the Meeting. ***The instruction for remote e-voting are annexed separately and form part of this Notice.*** Members who would have cast their vote by remote e-voting may attend the Meeting, but shall not be able to vote at the Meeting. Such member will also not be allowed to change or cast vote again. Members attending the Meeting who would have not already cast their vote by e-voting shall be able to exercise their right to vote at the Meeting through Ballot Papers. ***The Members, whose names appears in the Register of Members/ list of Beneficial Owners as on Tuesday, 19th September, 2017, being the cut-off date, are entitled to vote on the Resolutions set forth in the Notice.*** A person, who is not a member as on the cut-off date ***19th September, 2017*** should treat this Notice for information purpose only.
17. Any person who becomes a member of the Company after the dispatch of the Notice of the Meeting and holding shares as on the cut-off date 19th September, 2017, may obtain the User ID and Password by sending an email request to the RTA.
18. A ROUTE MAP giving directions of the venue of the meeting is annexed to the Notice. Members may also note that the Notice of the Meeting along with the route map and the Annual report 2016-17 will also be available on the website of the Company (www.mystic-electronics.com) for download.
19. The Notice of the Meeting is being placed on the website of the Company viz., www.mystic-electronics.com and on the website of BSE viz., www.bseindia.com.
20. **Board of Directors has appointed Mr. Arvind Dhanraj Baid**, Practicing Chartered Accountants (Membership No. 155532) as the Scrutinizers for scrutinizing the process of remote e-voting and Poll (Ballot forms) at the Meeting venue in a fair and transparent manner.
21. The Scrutinizer shall, immediately after the conclusion of the meeting count the votes count at the Meeting and thereafter, unblock the votes cast through remote e-voting in presence of at least two witnesses not in employment of the Company and shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the Meeting. The Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose shall declare the results of remote e-voting and voting at the Meeting venue through Ballot

form. The result declared along with the Scrutinizer Report shall be placed on the Company's website (www.mystic.electronics.com), Stock Exchange website (www.bseindia.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the results are declared and simultaneously communicated to BSE Limited.

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

Voting through electronic means:

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

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM 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.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 23rd September, 2017 (9:00 am) and ends on 25th September, 2017(5:00 pm) both days inclusive. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email received from NSDL and open attached PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login.
 - (iv) If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote
 - (v) Put User ID and password noted in step (1) above and Click Login.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, *USER-ID* is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, *USER-ID* is the combination of (Even No+Folio No).

- (vi) After successful login, you can change the password with new password of your choice.
- (vii) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (viii) Select "EVEN" of "Mystic Electronics Limited".
- (ix) Now you are ready for remote e-voting as Cast Vote page opens.
- (x) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to caarvindbaid@gmail.com with a copy marked to evoting@nsdl.co.in

- B. Member may obtain a User ID and password for casting his /her vote by remote e-voting by sending a request at evoting@nsdl.co.in or by contacting NSDL at the toll free no.: 1800-222-990" providing the details such as Demat account no or Folio no, PAN no, etc.

Please note that In case Shareholders are holding shares in demat mode, User ID is the combination of (DPID+ClientID) and in case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

If you are already registered with NSDL for remote e-voting then you can use your existing User ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th September, 2017.
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- X. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XII. **Mr. Arvind Dhanraj Baid**, Practicing Chartered Accountants (Membership No. 155532) has been appointed as the Scrutinizers for scrutinizing the process of remote e-voting and Poll (Ballot forms) at the Meeting venue in a fair and transparent manner.
- XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of Mystic Electronics Limited (www.mystic.electronics.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

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

Sd/-
Krishan Khadaria
Director
DIN: 00219096

Registered Office:

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

Place: Mumbai

Dated: 23rd August, 2017

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

As required by section 102 of the Companies Act, 2013 (Act), the following Explanatory Statement pursuant to Companies Act, 2013 (hereinafter referred to as 'the Said Act') sets out all the material facts relating to the business mentioned at item Nos. 4 to 5 of the accompanying notice dated 23rd August, 2017.

ITEM NO. 4

Ms. Kartikee Yadav was appointed as an Additional Director w.e.f. 14th February, 2017 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013, Ms. Kartikee Yadav holds office upto the date of this AGM and is eligible for appointment as Director of the Company in accordance with Section 152 and other applicable provisions, if any of the Companies Act, 2013.

The Company has received request in writing from a member of the Company proposing Ms. Kartikee Yadav's candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Ms. Kartikee Yadav on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company/ their relatives is in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Ordinary Resolutions set out in Item No. 4 of the Notice for approval by the members.

ITEM NO. 5

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

Since the aggregate value of transaction with Kashish Multi Trade Private Limited exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, the said transaction would be considered to be Material Related Party Transaction for the purpose of provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and will thus require approval of the members of the Company through an Ordinary Resolution. The Audit Committee and Board of Directors have reviewed major terms & conditions of this transaction and recommend to the members for their approval by way of an Ordinary Resolution.

Further based on the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with provisions of Section 188 of the Act applicable if any and the Rules made thereunder, the Audit Committee and the Board of Directors (the Board) of the Company have approved the proposed transactions along with the annual limits, that the Company may enter into with its Related Parties (as defined in Section 2 (76) of the Act). The maximum value of the transactions as mentioned in the table below is for each financial year commencing from 2016-17 and onwards.

The particulars of the transactions are as under:

A	Name of the Related Party	As mentioned in the table in the resolution
B	Name of the Director or Key Managerial Personnel who is related	Mr. Krishan Khadaria
C	Nature of relationship	<ul style="list-style-type: none"> • Mr. Krishan Khadaria, Director is a Director of Kashish Multi Trade Private Limited
D	Nature, material terms, monetary value and particulars of contract or arrangement	<ol style="list-style-type: none"> 1. The Company may be required to grant business advance / loan and/or make investment in the securities and/or capital contribution in the entity mentioned in the resolution as a part of strategic business decision, to the extent necessary to support the business operations of the said entities or vice versa. 2. Additionally, the Company may also be required to provide security by way of mortgage / hypothecation /pledge of securities held and/or charge on any of its movable/immovable properties to the extent of the loan that may be availed by the said entities from term lenders or vice versa. 3. The Company may also be required to provide corporate guarantee as collateral security to the extent of the loan that may be availed by the said entities from term lenders. The corporate guarantee shall be provided for the entire duration of the loan or vice versa. 4. The Company may also enter into transaction for purchase / sale/lease of immovable properties including FSI and TDRs with the said entities. 5. The Company may enter in transaction of sale, purchase or supply of any goods or materials.
	Monetary value	As mentioned in the resolution.

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

None of the Directors or Key Managerial Personnel of the Company or their relatives, except for Mr. Krishan Khadaria, being director of Kashish Multi Trade Pvt Ltd on the Board of the Company is concerned or interested, financially or otherwise, in this resolution.

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

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

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

Sd/-
Krishan Khadaria
Director
DIN: 00219096

Place: Mumbai
Dated: 23rd August, 2017

ANNEXURE I

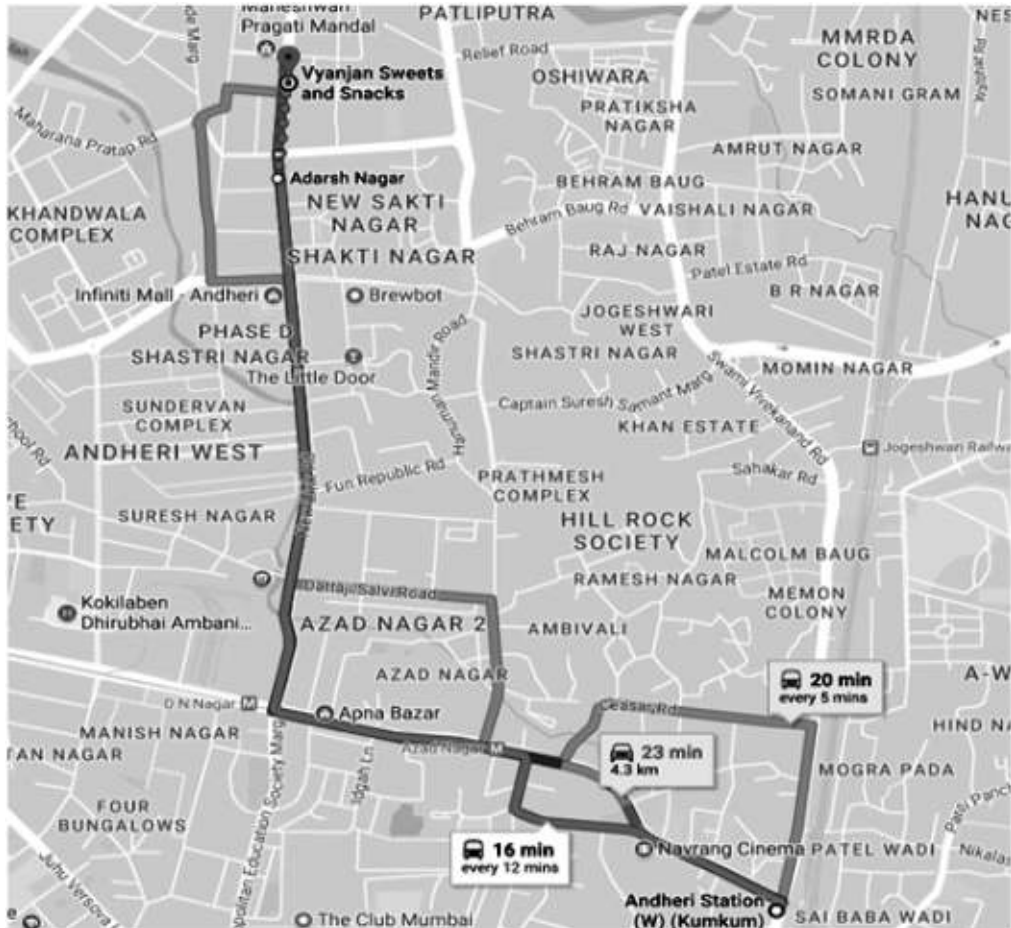
INFORMATION PURSUANT TO THE REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION 2015 IN RESPECT OF APPOINTMENT/RE-APPOINTMENT OF DIRECTORS

Name of Director	Krishan Khadaria	Kartikee Yadav
DIN	00219096	03407088
Date of Birth & Age	15/05/1961 & 56 Years	07-11-1982 & 35 Years
Nationality	Indian	Indian
Date of appointment	30/08/2011	14-02-2017
Educational Qualification	B.com, Chartered Accountant and Bachelor of Law	M.com
Brief profile and nature of their expertise in specific functional areas	Mr. Khadaria is a qualified Chartered Accountant as well as a Bachelor of Law and is specialized in auditing, taxation, business and corporate legal and financial consultant, loan and lease syndication, capital market operations. He is a promoter and founder of Mystic Electronics Limited.	Mrs. Kartikee Yadav is a Non-Executive; Non-Independent Director on the Board of Mystic Electronics Limited. She did her Masters in Commerce from Mumbai University. She further pursued her education in Advertising and Public Relation. She has decades experience in Brand Management & Business Development. Mrs. Yadav is a proactive planner with expertise in product management and development
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit Committees and Shareholders/Investors' Grievance Committee)	Mukta Agriculture Limited (Formerly known as Pearl Agriculture Limited) - Audit Committee (Member) - Stakeholders Relationship Committee (Member) Nouveau Global Ventures Limited - Audit Committee (Member)	NONE
List of directorship held in other Companies	1. Nouveau Global Ventures Limited 2. Nouveau Shares & Securities Limited 3. Kasturi Overseas Private Limited 4. Navyug Telefilms Pvt. Ltd. 5. Forever Flourishing Finance & Investments Pvt. Ltd. 6. Attribute Shares & Securities Pvt. Ltd. 7. Laxmiramuna Investments Pvt. Ltd. 8. Golden Medows Export Pvt. Ltd. 9. Kashish Multi Trade Private Limited 10. Thai Malai Golf Resort & Spa Private Limited 11. Anutham Property Developers Private Limited 12. Pearl Arcade Consultant Private Limited 13. Mukta Agriculture Limited 14. Rajat Commercial Enterprises Pvt. Ltd. 15. Bhaskar Realty Private Limited 16. Slogan Infotech Private Limited 17. Mitesh Poly Pack Pvt Ltd	1. Mukta Agriculture Limited 2. Perfect Mediatment Pvt Ltd
Shareholding in the Company	72,60,700 Equity Shares	NIL
Relationship with other Director	Not related to any Director of the Company	Not related to any Director of the Company



ROUTE MAP OF THE VENUE

**OF THE 6TH ANNUAL GENERAL MEETING OF THE COMPANY,
TO BE HELD ON 26th September, 2017 at
Vyanjan Banquet Hall, 43, Oshiwara Link Plaza, Next to Oshiwara Police Station,
Link Road, Andheri (West), Mumbai- 400102**



VENUE of the Meeting : Vyanjan Banquet Hall, 43, Oshiwara Link Plaza, Next to Oshiwara Police Station, Link Road, Andheri (West), Mumbai- 400102

Prominent Landmark: Oshiwara Police Station

DIRECTOR'S REPORT

To,
The Members,
MYSTIC ELECTRONICS LIMITED

Your Directors have pleasure in presenting the **6th Annual Report** along with the Audited Accounts for the Financial Year ended **March 31, 2017**.

1. FINANCIAL PERFORMANCE OF THE COMPANY

(Rs. In Lacs)

PARTICULARS	Year ended March 31, 2017	Year ended March 31, 2016
Profit before interest, depreciation, tax and Extra Ordinary Items	(192.88)	83.70
Less: Depreciation/amortization	1.37	0.28
Profit before interest, tax and Extra Ordinary Items	(194.25)	83.42
Less: Finance Costs	2.58	0.50
Profit before tax and Extra Ordinary Items	(196.83)	82.88
Less: Provision for taxes on income		
--Current tax	2.52	24.50
--Deferred tax liability / (asset)	1.12	1.06
Profit before Extra Ordinary Items	(200.47)	57.30
Extra Ordinary Items (Net of Tax)	-	-
Profit for the year	(200.47)	57.30

2. STATE OF COMPANY'S AFFAIRS

Your Directors regret to report that the company has resulted to incur losses amounting to Rs. 2,00,46,926/- in the financial year under review as compared to profit earned during the previous financial year.

Considering the uncertain market situation and financial difficulties and to scale down the business, the management decided to disengage from Naaptol venture during the financial year under review after completion of the other endeavors. The directors of your company have been exploring other prospective growth avenues so as to restore the Company's financial position.

3. DIVIDEND & RESERVES

Your Directors do not recommend any dividend for the year ended 31st March, 2017 and no amount was transferred to Reserves

4. SHARE CAPITAL

The paid up Equity Share Capital as on 31st

March, 2017 is Rs. 19,76,62,480/- (Rupees Nineteenth Crores Seventy-Six Lakh Sixty-Two Thousand Four Hundred and Eighty Only) divided into 1,97,66,248 (One Crore Ninety-Seven Lakh Sixty-Six Thousand Two Hundred and Forty-Eight) Equity Shares of the face value of Rs. 10/- each. During the year under review, the Company has not issued any shares with or without differential voting rights. It has neither issued employee stock options nor Sweat Equity Shares and does not have any scheme to fund its employees to purchase the shares of the Company.

5. DIRECTORS

In accordance with the provisions of Section 152 of the Act and in terms of Articles of Association of the Company, Mr. Krishan Khadaria, Director of the Company, retires by rotation, at the forthcoming Annual General Meeting (AGM) and, being eligible, offers himself for re appointment.

During the year under review, Ms. Madhumati Gawade resigned as a Director of the Company w.e.f. 27th January, 2017. The Board has placed on record its deep appreciation for the valuable contribution made by him during his tenure of office.

Pursuant to Sections 149 and 161 of the Companies Act, 2013 and in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board of Directors had at its meeting held on 14th February, 2017, appointed Ms. Kartikee Yadav as an Additional Director of the Company w.e.f. 14th February, 2017. The requisite resolution for approval of her appointment as Director is being proposed in the notice of the ensuing AGM for the approval of the members.

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

6. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors of your Company have given the certificate of

independence to your Company stating that they meet the criteria of independence as mentioned under Section 149(7) of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management. The details of training and familiarization programmes and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report.

7. KEY MANAGERIAL PERSONNEL

During the year under review the Board has appointed Ms. Manisha Swami as Company Secretary of the Company with effect from 27th January, 2017.

8. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual financial statements for the year ended 31st March, 2017, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- b) for the financial year ended 31st March, 2017, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for the financial year ended 31st March, 2017;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;

- e) that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

9. MEETINGS OF THE BOARD

During the year under review, 6 (Six) meetings of the Board of Directors were held. For details of the meetings of the board, please refer to the Corporate Governance Report, which forms part of this report.

10. COMMITTEES OF THE BOARD

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various committees of Board such as Audit Committee, Nomination & Remuneration Committee and Stake Holders Relationship Committee. Details of composition, terms of reference, number of meetings held for respective committees and details of the familiarization programmes for Independent Directors are given in the Report on Corporate Governance, which forms part of this Report.

11. DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES

Your Company does not have any subsidiary, joint ventures and associate company for the year ended 31st March, 2017.

12. EMPLOYEE STOCK OPTION SCHEME

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

13. PARTICULARS OF EMPLOYEES

The information as per the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of this Report. However, as per first proviso to Section 136(1) of the Act and second proviso

of Rule 5(2) of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) and 5(3) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

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

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

1. The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year 2016-17: *Not applicable as your Company is not providing any remuneration to the Directors of the company.*
2. Percentage increase in remuneration of each Director, CFO and Company secretary :
No Sitting fees or remuneration was paid to the Directors & there was no increment during the financial year in the remuneration of CFO & Company Secretary.
3. The percentage increase in the median remuneration of employees in the Financial Year 2016 -17: *During the Financial Year under review your company has not made any increase in the salary of the employee.*
4. The number of permanent employees on the rolls of company: *Four (as on 31st March, 2017)*
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration

and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

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

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

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

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

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

15. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

16. FOREIGN EXCHANGE EARNINGS AND OUT-GO :

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

17. DEPOSITS

During the year under review, your Company has not invited or accepted any deposits from the public in terms of Chapter V of the Companies Act, 2013 and no amount of principal or interest was outstanding in respect of deposits from the public as on the date of balance sheet.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans and Investments covered under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 for the financial year 2016-17 are given in the Notes on financial statement referred to in the Auditors' Report.

19. RELATED PARTY TRANSACTIONS

Pursuant to Regulations 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy on Related Party Transactions. The policy is available on the Company website viz. www.mystic-electronics.com, on the Investors page, under the section titled 'Policies'. The same may also be accessed through the link given below: <http://www.mystic-electronics.com/investors.html>.

During the year under review the Company had entered into a material related party transaction with Kashish Multi Trade Pvt Ltd as per Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and details of which is given in the notes to the financial statement and, further along with the material related party transaction with the above party no other transactions has been entered other than ordinary course of business and at arm's length basis. Further the disclosure of material related party transaction pursuant to Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 does not apply to the company.

Prior omnibus approval of the Audit committee is obtained on a yearly basis specifying the upper ceiling as to amount for the transactions which are of foreseen and repetitive nature.

20. STATUTORY AUDITORS & AUDITORS' REPORT

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, **M/s. Bansal Bansal & Company, Chartered Accountants (Registration No. 100986W)**, were appointed as statutory auditors of the Company from the conclusion of the 4th annual general meeting (AGM) of the Company held on 30th September, 2015 till the conclusion of the 9th AGM to be held in the year 2019-20, subject to ratification of their appointment at every AGM.

The Auditors' Report on the financial statements of the Company for the year ending 31st March, 2017 is unmodified i.e. it does not contain any qualification, reservation or adverse remark. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report is enclosed with the financial statements forming part of the annual report.

21. SECRETARIAL AUDITORS & AUDITORS' REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **Mr. Shivhari Jalan**, a Practising Company Secretary to conduct the Secretarial Audit of the Company for the financial year 2016-17.

The Secretarial Audit Report for the financial year ended 31st March, 2017 is annexed herewith as "**Annexure III.**"

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

Response to point no.1:

The observation is itself self explanatory and the management is committed to streamline in future.

Response to point no. 2, 3 & 4:

The company files necessary documents with Stock Exchange in conformity with SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015. However, there were few delays due to administrative reasons, during the year under review, which the management is committed to streamline in future.

Further, with respect to notice from SEBI your company is in the process to reply the said notice in consultation with our legal advisor.

22. CORPORATE GOVERNANCE

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

The Certificate on Corporate Governance received from the statutory auditors, M/s. Bansal Bansal & Co., is enclosed as **Annexure- VII**.

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

23. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on 31st March, 2017 in the prescribed form MGT.9, pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as **Annexure - IV**.

24. CORPORATE SOCIAL RESPONSIBILITIES INITIATIVES

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

25. INTERNAL CONTROL SYSTEMS

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

Auditors have, in their report, confirmed the adequacy of the internal control procedures.

26. MANAGEMENT DISCUSSION AND ANALYSIS

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

27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

28. PERFORMANCE EVALUATION OF THE BOARD

Pursuant to applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter alia, the criteria for performance evaluation of the entire Board of the Company, its committees and individual directors, including independent Directors.

The independent directors had met separately without the presence of Non-Independent directors and the members of management and discussed, inter alia, the performance of Non-Independent directors and Board as a whole. The criteria for performance evaluation

have been detailed in the Corporate Governance Report which is annexed and forms part to this Report.

The Nomination and Remuneration committee has also carried out evaluation of performance of board of Director as a whole.

29. DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

Pursuant to the requirement under Section 134(3) (e) and 178 (3) of the Companies Act, 2013, the policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and the policy on remuneration of directors, KMP and other employees which forms part of this report.

30. LISTING

Revocation of Suspension from Trading in Equity of the Company

Your Company is listed on BSE Limited and its shares were suspended from trading at the Exchange with effect from 27th August, 2015 by the order which was passed by Managing Director & Chief Executive Officer of BSE limited for Surveillance & Supervision purpose.

Further your Company states that it has received the order of resumption of trading with effect from 21st November, 2016 from the BSE Limited after the submission of all the required documents.

Also, your Company has duly paid the Listing fees for the financial year 2017-18.

31. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company, between the end of the financial year of the Company i.e. 31st March, 2017 and the date of this Report.

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

The Company has received order for "Resumption of trading in the Equity Shares of Mystic Electronics Limited" from Senior Manger- Listing Operation of BSE Limited on 16th November, 2016.

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

33. GENERAL

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

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

34. ACKNOWLEDGEMENT

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

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

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

Sd/-
Krishan Khadaria
Director
DIN: 00219096

Sd/-
Manoj Bhatia
Director
DIN: 01953191

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

Place: Mumbai
Dated: 23rd August, 2017

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

The electronics market in India is one of the largest in the world and is anticipated to grow at a compound annual growth rate (CAGR) of 66.1 per cent from US\$ 31.6 billion in 2015 to US\$ 400 billion in 2020. Some key factors behind this growth in the electronics market are - rising disposable income, changing lifestyles, and easier access to credit. Your Company is actively involved in trading of electronic products such as mobile handsets, computer hardware and software etc. and has successfully completed six years in its trading business.

Your Company is also in the process of diversifying and expanding its existing business activities into newer areas to attain better profits during this year which shall be beneficial for the growth of the Company and its members.

➤ INDUSTRY STRUCTURE AND DEVELOPMENTS

The economy of India is the seventh-largest in the world measured by nominal GDP and the third-largest by purchasing power parity (PPP). The country is classified as a newly industrialised country, and one of the G-20 major economies, with an average growth rate of approximately 7% over the last two decades.

The World Bank is forecasting 7% economic growth in India this year, making the country the fastest growing large economy. The implementation of the goods and services tax (GST) and government expansion of infrastructure investments, as indicated in the recent budget, should further support economic expansion.

The long-term growth prospective of the Indian economy is positive due to its young population, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. The Indian economy has the potential to become the world's 3rd-largest economy by the next decade, and one of the two largest economies by mid-century and the outlook for short-term growth is

also good as according to the IMF, the Indian economy is the "bright spot" in the global landscape. India also topped the World Bank's growth outlook for 2015-16 for the first time with the economy having grown 7.6% in 2015-16. Growth is expected to decline slightly to 7.1% in the 2016-17 fiscal year

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

➤ OPPORTUNITIES

- The Government of India announced demonetization of high denomination bank notes of Rs 1000 and Rs 500, with effect from 8th November, 2016, in order to eliminate black money and the growing menace of fake Indian currency notes, thereby creating opportunities for improvement in economic growth.
- Growing recognition of "Made in India" brand in global market.
- Due to increasing competition and globalization, large varieties and kinds of electronic products are easily available in the markets thereby resulting in satisfaction of growing customer demands.
- Due to easy availability of component at reasonable rates, products can be provided to customers at reasonable prices.

➤ RISKS & CONCERNS

- The problem of jobless growth will continue to haunt India in 2017 - accentuated by rising unemployability of college graduates, outrage against outsourcing, trade protectionism, demand slowdown and not much improvement on ease of doing business front. That has the potential to gradually turn the country's demographic dividend into demographic disaster with serious long term implications for demand for homes and consumer goods.

- Due to fast changing market & new evolving Technologies obsolescence is a major concern.
- Faster delivery of goods requires proper stocking.

➤ **OUTLOOK**

The company is expanding its business activities and is putting continuous efforts to attain further efficiencies. Electronic products are penetrating new industrial markets thereby offering further opportunities to electronic components and assembly manufacturers. The growing role of electronics will predominantly help our Company to flourish lucratively in its new expansion plans. Also, the Prime Minister, Mr. Narendra Modi has stated that India has become the world's fastest growing large economy, and is expected to grow five-fold by 2040, owing to a series of policy measures. Further, the Company is also confident that in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Company and hope to improve its turnover.

➤ **INTERNAL CONTROLS SYSTEMS AND ADEQUACY**

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

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

➤ **FINANCIAL PERFORMANCE**

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

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

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

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

CAUTIONARY STATEMENT:

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

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

Sd/-
Krishan Khadaria
Director
DIN: 00219096

Sd/-
Manoj Bhatia
Director
DIN: 01953191

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

Place: Mumbai
Dated: 23rd August, 2017

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]*

ANNEXURE III

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

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

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 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 maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the period under review)
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; / Securities and exchange board of India (Share based employee benefits) Regulations, 2014; (Not applicable to the company during the period under review)

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the period under review)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the period under review).
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the company during the period under review)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the period under review).

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

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

- (i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015.

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

1. *The company has not charged interest on loan given to 2 parties covered in the register i.e. Form No. MBP-2 maintained under section 186(9) of the Companies Act, 2013 including loan given to parties which are doubtful of recovery pursuant to provision of section 186 (7) of the Companies Act, 2013.*
2. *The company has not complied with the prescribed time limit as per Regulation 30 of (Listing obligations and disclosure requirements) Regulations, 2015 in respect of submission of outcome of financial results for quarter ended 30.09.2016.*
3. *The company has not complied with the prescribed time limit as per Regulation 47 of (Listing obligations and disclosure requirements) Regulations, 2015 in respect of publication in Newspapers of financial result for the year quarter ended 31.03.2016, 30.09.2016 and 31.12.2016.*
4. *The company has not complied with the prescribed time limit as per Regulation 33 of (Listing obligations and disclosure requirements) Regulations, 2015 in respect of submitting quarterly and year to date standalone financial results to stock exchange for the quarter and year ended 31.03.2016 and 31.03.2017.*

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views if any are captured and recorded as part of the minutes.

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

I further report that during the audit period the company had no specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except that the company has received notice under Rule 4(1) of SEBI (Procedure for holding inquiry and imposing penalties by adjudicating officer) Rules, 1995 for penalty under the provisions of section 15HA of the SEBI Act and PFUTP Regulations dated 20.12.2016 from SEBI for which pending adjudication proceedings the amount of penalty is unascertainable.

Place: Mumbai

Date: 10-08-2017

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

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

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

1055, Level 10, Hubtown Solaris, N. S. Phadke Mark, Andheri East West Flyover,
Andheri (East), Mumbai- 400 069, Telephone: 22075834, 22075835, 26836215,
Mobile: 98690 35834. Email : shivharijalancs@gmail.com

'ANNEXURE A'

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

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

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

Place: Mumbai

Date: 10.08.2017

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

ANNEXURE IV

Form No. MGT-9

EXTRACT OF ANNUAL RETURNAs on the financial year ended 31ST March, 2017

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

I. REGISTRATION AND OTHER DETAIL

i) CIN:-	L72300MH2011PLC221448
ii) Registration Date	August 30, 2011
iii) Name of the Company	Mystic Electronics Limited (Formerly known as Pearl Electronics Limited)
iv) Category / Sub-Category of the Company	Company Limited by shares Indian Non-Goernment Company
v) Address of the Registered office and contact details	401/A, Pearl Arcade, Opp P.K. Jewellers, Dawood Baug Lane, Off. J.P. Road, Andheri (W), Mumbai- 400058 Tel: 022-6778155 / 26783178 / 26797780 Website: www.mystic-electronics.com
vi) Whether listed company Yes / No	Yes listed with Bombay Stock Exchange
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai- 400059 Tel: 022- 62638200; Fax : 022- 62638299 Email id.: info@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI. No.	Name and Description of main products / services	% to the turnover of the Company
1	Sale of Products and Services	100%

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

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

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

(i) Category-wise Share Holding

Category of Shareholders	No. Shares held at the beginning of the year				No. Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individuals/ HUF	1148064	-	1148064	5.81	1148064	-	1148064	5.81	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Bodies Corp	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other (Group Co.)	1935741	-	1935741	9.79	1935741	-	1935741	9.79	-
SubTotal (A)(1)	3083805	-	3083805	15.60	3083805	-	3083805	15.60	-
(2) Foreign									
NRIs- Individuals	-	-	-	-	-	-	-	-	-
Other - Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	3083805	-	3083805	15.60	3083805	-	3083805	15.60	-
B. Public Shareholding									
1. Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
SubTotal(B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	5151507	4709	5156216	26.09	5151941	4709	5156650	26.09	2.07
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	328539	83112	411651	2.08	329886	82774	412660	2.09	0.01
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	5035903	6067282	11103185	56.17	5035903	6067282	11103185	56.17	0.00

Category of Shareholders	No. Shares held at the beginning of the year				No. Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) Others (Specify)	-	-	-	-	-	-	-	-	-
i) Trusts	-	-	-	-	-	-	-	-	-
ii) Clearing Member	8402	-	8402	0.04	6958	-	6958	0.04	-0.01
iii) Directors Relatives	-	-	-	-	-	-	-	-	-
iv) Employee	-	-	-	-	-	-	-	-	-
v) NRI	320	169	489	0.00	321	169	490	0.00	0.00
vi) Overseas Bodies Corporate	-	-	-	-	-	-	-	-	-
vii) Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
e) Corporate Body NBFC	2500	0	2500	0.01	2500	0	2500	0.01	0.00
SubTotal(B)(2)	10527171	6155272	16682443	84.40	10527509	6154934	16682443	84.40	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	10527171	6155272	16682443	84.40	10527509	6154934	16682443	84.40	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	13610976	6155272	19766248	100.00	13611314	6154934	19766248	100.00	-

(ii) Shareholding of Promoters

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

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

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

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

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

Sr. No.	Name	No. of Shares at the beginning/ end of the year	Date	Increase / Decrease in share-holding	Reason	No. of Shares	% of Total Shares of the Co.
1	SANJAY SINGAL - HUF	1,000,000	31-Mar-16	0	No Change	1,000,000	5.06
			31-Mar-17	0	No Change	1,000,000	5.06
		1,000,000	31-Mar-17	0	No Change	1,000,000	5.06
2	SANJAY SINGAL	1,000,000	31-Mar-16	0	No Change	1,000,000	5.06
			31-Mar-17	0	No Change	1,000,000	5.06
		1,000,000	31-Mar-17	0	No Change	1,000,000	5.06
3	AARTI SINGAL	1,000,000	31-Mar-16	0	No Change	1,000,000	5.06
			31-Mar-17	0	No Change	1,000,000	5.06
		1,000,000	31-Mar-17	0	No Change	1,000,000	5.06
4	OCTOPUS INFOTEL PRIVATE LTD.	492,195	31-Mar-16	0	No Change	492,195	2.49
		492,195	31-Mar-17	0	No Change	492,195	2.49
5	BAGRI CONSULTANCY . AND SERVICES PVT. LTD.	471,677	31-Mar-16	0	No Change	471,677	2.39
		471,677	31-Mar-17	0	No Change	471,677	2.39
6	PRAVEEN KUMAR AGARWAL	283,950	31-Mar-16	0	No Change	283,950	1.44
		283,950	31-Mar-17	0	No Change	283,950	1.44
7	RAJKUMAR GULAB BADGUJAR	250,000	31-Mar-16	0	No Change	250,000	1.26
		250,000	31-Mar-17	0	No Change	250,000	1.26
8	SHREE NARAYAN AGARWAL	250,000	31-Mar-16	0	No Change	250,000	1.26
			31-Mar-17	0	No Change	250,000	1.26
		250,000	31-Mar-17	0	No Change	250,000	1.26

Sr. No.	Name	No. of Shares at the beginning/ end of the year	Date	Increase / Decrease in share-holding	Reason	No. of Shares	% of Total Shares of the Co.
9	PRADEEP KUMAR	250,000	31-Mar-16	0	No Change	250,000	1.26
			31-Mar-17	0	No Change	250,000	1.26
		250,000	31-Mar-17	0	No Change	250,000	1.26
10	MANISH UPPAL	250,000	31-Mar-16	0	No Change	250,000	1.26
			31-Mar-17	0	No Change	250,000	1.26
		250,000	31-Mar-17	0	No Change	250,000	1.26
11	BUSHAN KUMAR UPPAL	250,000	31-Mar-16	0	No Change	250,000	1.26
			31-Mar-17	0	No Change	250,000	1.26
		250,000	31-Mar-17	0	No Change	250,000	1.26

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Mr. Krishan Khadaria, Promoter Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	726070	3.67		
		0	0	726070	3.67
				726070	3.67
2	Mr. Tarun Keram, Independent Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	-	-	-	-
		-	-	-	-
		-	-	-	-
3	Mr. Manoj Bhatia, Independent Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	-	-	-	-
		-	-	-	-
		-	-	-	-
4	* Ms. Madhumati Gawade, Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	-	-	-	-
		-	-	-	-
		-	-	-	-
5	# Ms. Kartikee Yadav, Additional Director At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	-	-	-	-
		-	-	-	-
		-	-	-	-
6	Mr. Rajesh Agarwal, Chief Financial Officer At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	255	0.00		
		0	0	255	0.00
				255	255
7	Ms. Parvati Nirban, Manager At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	-	-	-	-
		-	-	-	-
		-	-	-	-
8	Miss Manisha Swami, Company Secretary At the beginning of the year increase/ decrease in shareholding during the year At the end of the year	-	-	-	-
		-	-	-	-
		-	-	-	-

Note: a. *Ms. Madhumati Gawade ceased to be director of the Company with effect from 27.01.2017.

b. #Ms. Kartikee Yadav has been appointed as an additional director of the Company with effect from 14.02.2017.

(V) INDEBTEDNESS

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

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

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Parvati Nirban	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,000	60,000
	(b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	--	--
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	--	--
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission	--	--
	- as % of profit		
	- others, specify...		--
	Others, please specify	--	--
	Total (A)	60,000	60,000
	Ceiling as per the Act		

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

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

2. Other Non Executive Directors:

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. Krishan Khadaria	*Ms. Madhumati Gawde	**Ms. Kartikee Yadav	
Fee for attending board / committee meetings	--	--	--	--
Commission	--	--	--	--
Others	--	--	--	--
Total	--	--	--	--

Note: Ms. Madhumati Gawade ceased to be director of the Company w.e.f. 27.01.2017 and Ms Kartikee Yadav has been appointed as an Additional director w.e.f. 14.02.2017.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

(Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.70	8.50	11.20
	(b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify	--	--	--
	Total	2.70	8.50	11.20

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

CORPORATE GOVERNANCE REPORT

Mystic Electronics Limited's corporate governance system has high standards of ethical and responsible conduct of business to create value for all stakeholders. It continues to focus on good corporate governance, in line with emerging national standards. It understands and respects its fiduciary role in the corporate world. This report, along with the report on Management Discussion and Analysis and additional shareholders information provides the information on the corporate governance compliance by your company as contained in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Mystic Electronics Limited philosophy is to view corporate governance principles in true letter and genuine spirit rather than mere compliances of norms. Corporate Governance has been considered as a business strategy as this adds considerable value to the company both internally and externally. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and to provide the management with the strategic direction catering to exigency of long term shareholders value. Your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the transparency, accountability and professionalism.

2. BOARD OF DIRECTORS

Size and Composition of the Board

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

The composition of the Board and other provisions as to Board and Committees are in compliance with the Listing Regulations. The Independent Directors of the Company fulfil the criteria for "independence" and / or "eligibility" as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 149 of the Companies Act, 2013 (the Act).

As on 31st March, 2017, the strength of the Board was 4(four) Directors of which all are non-executive directors and among them 2(two) are independent directors.

The composition of the Board of Directors as on 31st March, 2017, the number of other Board of Directors or Board Committees of which a director is a Member/Chairperson and the attendance of each director at the Board meetings and the last Annual General Meeting (AGM) of the Company are given below:

Name of Director	Category	Attendance		Other Board Representations		
		Board Meeting	Last AGM	Directorships in Companies including this company	Committees* Membership	Committees* Chairmanship
Mr. Krishan Khadaria	Non-executive and Promoter	6 of 6	Yes	18	5	0
*Ms. Kartikee Yadav	Additional Director	0 of 6	NA	3	0	0
Mr. Manoj Bhatia	Non-executive and Independent	6 of 6	Yes	6	1	5
Mr. Tarun Keram	Non-executive and Independent	5 of 6	No	6	2	0
*Ms. Madhumati Gawade	Non-Executive and Promoter	3 of 6	No	0	1	0

*Ms. Madhumati Gawade resigned from the directorship of the Company w.e.f 27.01.2017 & Mrs. Kartikee Yadav was appointed as an Additional Director of the Company w.e.f. 14th February, 2017.

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

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

Board Meeting held during the financial year ended 31st March, 2017

During the year under review, the Board met 6(Six) times i.e. on 2nd June, 2016 (the meeting was originally scheduled to be held on 30th May, 2016 but due to some unavoidable reasons it got adjourned till 2nd June, 2016), 30th July, 2016, 13th August, 2016, 14th November, 2016 & 14th February, 2017. The interval between two Board meetings was well within the maximum period mentioned under Section 173 of the Act and the Listing Regulation.

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

Except for Mr. Krishan Khadaria- Non-Executive Director of the Company who holds 726070 Equity shares of the Company, none of the other Non-executive Directors held any equity shares or convertible instruments of the Company during the financial year ended 31st March, 2017. Furthermore, none of the Directors had any relationships inter-se.

Familiarisation Programme

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

Independent Directors' Separate Meeting

The Independent Directors of the Company met separately on 12th November, 2016 without the presence of Non-Independent Directors and the members of management. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, they reviewed the performance of Non-Independent Directors and Board as a whole & also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

3. AUDIT COMMITTEE

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

Composition & Attendance of the Committee

The Composition of Committee meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee of the Company as on 31st March, 2017 comprised of 3 (Three) members all being Non-Executive Directors, out of three members 2 (Two) are Non-Executive Independent Directors and 1(One) is Non-Executive Director.

Audit Committee Meeting held during the financial year ended 31st March, 2017

During the year under review, the audit committee met 4 times: (i) 2nd June, 2016 (ii) 13th August, 2016 (iii) 14th November, 2016 and (iv) 14th February, 2017. The meetings were scheduled well in advance and the time gap between any two meetings did not exceed more than four months.

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

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

Terms of Reference

- ❖ Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ❖ Recommending to the Board the appointment, re-appointment, terms of appointment/ reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees/remuneration.
- ❖ Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- ❖ Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub section (5) of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the Management.
 - Significant adjustments made in the financial statements arising out of audit Findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- ❖ Review/examine, with the Management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval.
- ❖ Reviewing/evaluating, with the Management, performance of statutory and internal auditors, internal financial controls, risk management system and adequacy of the internal control systems.
- ❖ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- ❖ Discussion with internal auditors any significant findings and follow-ups there on.
- ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- ❖ Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- ❖ To review the functioning of the Whistle- Blower mechanism.
- ❖ Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- ❖ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- ❖ Review and monitor the Auditor's independence, performance and effectiveness of Audit process.
- ❖ Approval or any subsequent Modification of transactions of the company with related parties.

- ❖ Scrutiny of inter- corporate loans and investments.
- ❖ Valuation of undertakings or assets of the Company, wherever it is necessary.

The Audit committee is empowered, pursuant to its terms of reference to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, wherever considered necessary.

Your Company has systems and procedures in place to ensure that the Audit committee mandatorily reviews:

- Management discussion and analysis of financial conditions and results of operations.
- Statement of significant related party transactions (as defined by the Audit committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the internal auditor.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results (whenever applicable).
- On an annual basis, statement certified by the statutory auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/ notice (whenever applicable).

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and provisions of Section 177 of the Companies Act, 2013.

4. NOMINATION & REMUNERATION COMMITTEE

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

Composition & Attendance of the Committee

The Composition of Committee meets with requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination & Remuneration Committee of the Company as on 31st March, 2017 comprised of 3 (Three) members all being Non-Executive Directors, out of three members 2 (Two) are Non-Executive Independent Directors and 1(One) is Non-Executive Director.

During the year under review the members of the Nomination & Remuneration Committee met only once i.e. on 27th January, 2017. The Composition and the attendance of the members of the Nomination & Remuneration Committee are as follows:

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

Terms of Reference

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

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

Performance Evaluation of Directors

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

The criteria for performance evaluation are as follows:

➤ Role & Accountability

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

➤ Objectivity

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

➤ Leadership & Initiative

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

➤ Personal Attributes

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

The Directors expressed their satisfaction with the evaluation process.

Non-Executive Directors (including Independent Directors)

None of the directors including independent director(s) of the Company had received any sitting fees during the year under review.

In accordance with the relevant provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Remuneration Policy have been adopted by the board of the Company and which have been disclosed in the Director's Report which forms part of the Annual Report and is also available on the Company's website www.mystic-electronics.com.

5. STAKEHOLDERS' GRIEVANCE COMMITTEE

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

Composition & Attendance of the Committee

The Stakeholders Relationship Committee of the Company as on 31st March, 2017 comprised of 3 (Three) members all being Non-Executive Directors, out of three members 2 (Two) are Non-Executive Independent Directors and 1(One) is Non-Executive Director. During the year under review the members of the Stakeholders Relationship Committee met four times i.e. on 1st June, 2016, 27th September, 2016, 25th November, 2016 & 30th March, 2017.

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

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

Compliance Officer

The Board has designated Ms. Manisha Swami, Company Secretary as the Compliance Officer.

Complaints/Queries received from Shareholders

The Committee supervises the mechanism for redressal of the shareholder's grievances and ensures cordial investor relations. During the year, the Company has not received any complaints however Company was in receipt of other telephonic queries which were satisfactorily answered and were redressed to the satisfaction of complainants. There were NO outstanding complaints as on 31st March, 2017.

6. GENERAL BODY MEETINGS

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

Accounting Year	Date	Location	Time	Special Resolution passed
2013-2014	30.09.2014 Tuesday	The Classique Club, Emerald Hall, Near Infinity Mall, New Link Road, Andheri (West), Mumbai-400053	11:00 am	None

Accounting Year	Date	Location	Time	Special Resolution passed
2014-2015	30.09.2015 Wednesday	Conference Room, Axis Bank, Springfield's, Lokhandwala Complex, Andheri (West), Mumbai - 400 053 11:00 am		(i) Appointment of M/s. Bansal Bansal & Co., Chartered Accountants (Firm Regn. No. 100986W), as Statutory Auditors of the Company in place of M/s. CPM & Associates, Chartered Accountants (Firm Registration No. 114923W). (ii) To approve Existing Material Related Party Contracts and Arrangements under Clause 49 of the Equity Listing Agreement. (iii) To approve transactions with related parties under section 188 of the Companies act, 2013 and clause 49 of the Equity Listing Agreement. (iv) Authority to the Board to borrow money under Section 180(1) (c) of the Companies Act, 2013. (v) Authority to the Board to investment limit up to Rs. 100 Crores and in this regard to consider and if thought fit, to pass, with or without modification
2015-2016	19.09.2016 Monday	Pratap's Wild Dining Banquet, 3rd, Floor, Om Heera Panna Mall, Oshiwara, Andheri(W), Mumbai - 400 058.	11.30 am	None

B. Details of Resolution passed through Postal Ballot:

The Company had not conducted any postal ballot during the year and there is no resolution proposed to be passed by postal ballot at the ensuing Annual General Meeting.

7. MEANS OF COMMUNICATION

Quarterly/ Annual Results	The results of the Company are published in the newspapers and intimated to the Stock Exchanges as required under the Listing Agreements/Listing Regulations.
Newspapers in which results are generally published	The Asian Age and Mumbai Lakshwadeep, regional daily newspapers.
Website, where displayed	www.mystic-electronics.com
Official news releases	All the Official news releases are displayed on the above mentioned website of the Company.
Presentation made to institutional investors or to the analysts	During the year, no presentations were made to institutional investors or to the Analysts.
E-mail id for investor grievance	electronics.mystic@gmail.com

8. GENERAL SHAREHOLDER INFORMATION

a. 6th Annual General Meeting Day, Date & Time Venue	Tuesday, 26th September, 2017 at 11:00 AM at Vyanjan Banquet Hall, 43, Oshiwara Link Plaza, Next to Oshiwara Police station, Link Road, Andheri (W), Mumbai - 400 102.
b. Financial Year	1st April - 31st March
c. Date of Book Closure	Tuesday 19th September, 2017 to Tuesday 26th September 2017 (Both days inclusive)
d. Dividend payment date	N.A.
e. Financial Year Calendar for 2017-2018	Results for the Quarter ended 30th June, 2017 - Second week of August, 2017 Results for the Quarter ended 30th September, 2017 - Second week of November, 2017 Results for the Quarter ended 31st December, 2017 - Second week of February, 2018 Results for the Quarter ended March 31, 2018 - Before end of May, 2018 Audited Results.
f. Listing on Stock Exchanges	Bombay Stock Exchange Limited, (BSE Ltd), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023.
g. Stock Code	BSE Ltd- 535205
h. International Securities Identification Number	ISIN- INE159001025
i. Annual Listing Fee	Annual listing fee for the financial year 2017-18 paid to the Stock Exchanges.
j. Registrar and Share Transfer Agent	BIGSHARE SERVICES PVT. LTD. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road Marol, Andheri East, Mumbai - 400 059. Email id.: info@bigshareonline.com
k. Corporate Identification Number	L72300MH2011PLC221448
l. Outstanding GDR/ADR/Warrants Or any Convertible Instruments, Conversion Dates and likely impact on equity:	Not Applicable.

9. SHARE TRANSFER SYSTEM

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

To supplement to the prompt services given by the Registrar & Transfer Agent the Stakeholders Relationship Committee (formerly known as Shareholders and Investors Grievance Committee) meets as and when there are transfers/transmission of shares for the approvals of periodical transfers, issue of share certificates, splitting of shares etc. Share transfers are registered and returned within 15 days from the date of lodgement if documents are complete in all respects. All requests for dematerialization of shares are processed and confirmation thereof is sent to the shareholders within 7 to 15 days of the receipt thereof.

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

10. STOCK MARKET PRICE ON BSE

The High/Low of the market price of the Company's equity shares traded on the Bombay Stock Exchange Limited during the financial year ended 31st March, 2017 are as follows:

Share Price (Rs.)

Month	High	Low	Close
November, 2016	136.81	134.08	134.08
December, 2016	131.40	128.80	128.80
January, 2017	126.25	126.25	126.25
March, 2017	123.75	101.00	101.00

* Note: As the scrip of the Company was suspended from trading at the said exchange by order passed by Managing Director & Chief Executive Officer of BSE limited for Surveillance & Supervision purpose, during the year under review Company has received the order of resumption of trading on 16th November, 2016 and trading in the shares of the Company resumed with effect from 21st November, 2016.

11. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2017

	CATEGORY	Nos. of Equity Shares	TOTAL %
A	Promoters Holding		
1	Indian Promoters	3083805	15.60
2	Foreign Promoters	0	0.00
	SUB TOTAL (A)	3083805	15.60
B.	Public Shareholding		
1.	Institutional Investors	0	0.00
2.	Non-Institutional Investors		
	Individuals:		
	Having Nominal Share Capital up to Rs. 2 Lakh	708420	3.58
	Having Nominal Share Capital in excess of Rs. 2 Lakh	10807425	54.68
	NBFCs registered with RBI	2500	0.013
	Bodies Corporate	5156650	26.09
	Clearing Member	6958	0.035
	Non Resident Indians	490	0.025
	SUBTOTAL (B)	16682443	84.40
	TOTAL (A+B)	19766248	100.00

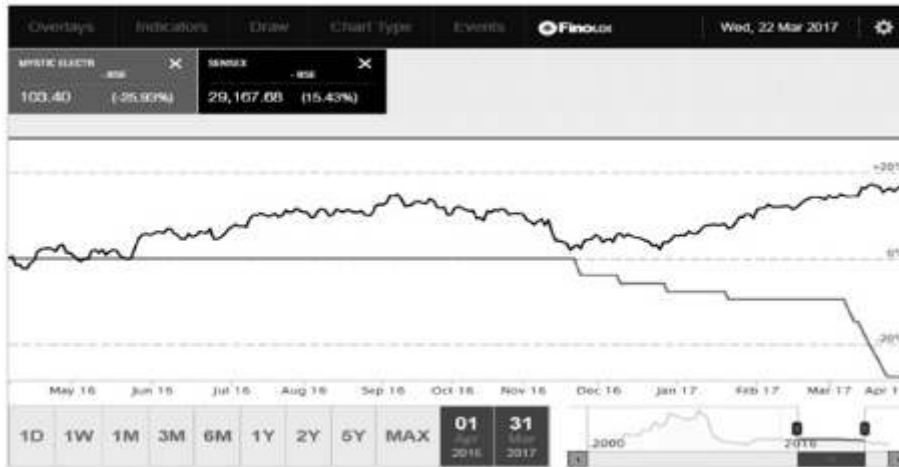
12. DISTRIBUTION SCHEDULE OF SHAREHOLDING AS ON 31st MARCH, 2017

Range (in Rs.)	Total Shareholders	% of Total Shareholders	Total Holding in Rupees	% of Total Capital
1 to 5000	1057	68.326	875440	0.4429
5001 - 10000	67	4.3310	491710	0.2488
10001 - 20000	68	4.3956	1042280	0.5273
20001 - 30000	39	2.5210	1024260	0.5182
30001 - 40000	23	1.4867	822130	0.4159
40001 - 50000	18	1.1635	840990	0.4255
50001 - 100000	61	3.9431	4597990	2.3262
100001 and above	214	13.8332	187967680	95.0953
TOTAL	1547	100	197662480	100.00

13. DEMATERIALIZATION OF SHARES AS ON 31st MARCH, 2017

From	No. of Shares	% of Total
Held in dematerialized form in CDSL	8661831	43.77
Held in dematerialized form in NSDL	4959483	25.09
Physical	6154934	31.14
Total	19766248	100.00

14. PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES



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

16. ADDRESS FOR INVESTORS CORRESPONDENCE

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

Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri East, Mumbai - 400 059.
Email id.: info@bigshareonline.com

For any other general matters or in case of any difficulties / grievances, Shareholders may also contact Ms. Manisha Swami, Company Secretary at the Registered Office of the Company situated at : **401/A, Pearl Arcade, Opp. P. K. Jewellers, Dawood Baug Lane, Off J. P. Road, Andheri (West), Mumbai - 400 058.**
Tel. No.: 26778155 / 26797750 / 32459097,
Email id.: electronics.mystic@gmail.com

17. DISCLOSURES

a. Related Party Transactions

The company had entered into material related party transaction as per regulation 23 of SEBI (LODR) Regulation, 2015 whose details are disclosed in the notes to the annual accounts.

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

- b. During the last three years, the Company has paid penalty of Rs. 35,491/- for late submission of quarterly reports under the Listing Agreement. Further, we state that during the year 2016-17 the Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets and thus there were no penalties imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

c. Vigil Mechanism & Whistle Blower Policy

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

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

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

- d. The Company has complied with all applicable mandatory requirements in terms of SEBI Listing Regulations and the status of non-mandatory (discretionary) requirements is given below:
- The Company doesn't bear any expenses of the Non-Executive Chairman's Office.
 - The Financial Statements are free from any Audit Qualifications.
 - The Internal Auditors of the Company report directly to the Audit Committee.
- e. The Company has No Subsidiary Company.

f. Disclosure of Accounting Treatment in preparation of Financial Statement

The Company has followed prescribed accounting standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

g. Reconciliation of Share Capital

A qualified practicing Chartered Accountant carried our reconciliation of share capital to reconcile the total admitted equity share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed equity shares. The reconciliation statement of share capital confirms that the total issued capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held in NSDL & CDSL.

h. Code of Conduct

The Board had laid down a Code of Conduct for its Members and Senior Management Personnel of the Company. All the Board Members affirmed compliance with the Code of Conduct. The Directors has affirmed to the Board that this Code of Conduct has been complied by all the Board Members. A declaration to this effect for the financial year 2016-2017 from the Directors is annexed as "ANNEXURE V" to this report.

Code for Prevention of Insider Trading Practices

The Company's Code of Conduct had been complied by all the members of the Board and designated employees of the Company. The Company has in place a prevention of Insider Trading Code based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information. The Code of Conduct is available on the website of the Company www.mystic-electronics.com.

i. Auditor's Certification on Corporate Governance

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

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

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

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

Place: Mumbai
Date: 23rd August, 2017

ANNEXURE V

DECLARATION ON ADHERENCE TO THE CODE OF CONDUCT

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

The Board of Directors and Senior Management Personnel of the Company have affirmed their compliance with the said Code. It is hereby declared that the Company has obtained from all the Board Members and Senior Management Personnel affirmation that they have complied with the said Code for the financial year 2016-17.

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

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

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

Place: Mumbai
Date: 23rd August, 2017

ANNEXURE VI

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

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

Dear Sir(s)/ Ma'am,

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

- A. We have reviewed the financial statements for the year ended 31st March, 2017 and that to the best of our knowledge and belief, we state that:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, no transactions were entered into by the Company during the year which is fraudulent, illegal or violate of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
1. there has been no significant change in internal control over financial reporting during the year;
 2. there has been no significant change in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
 3. there has been no instance of significant fraud of which we have become aware and the involvement therein of the manage mentor an employee having a significant role in the Company's internal control systems over financial reporting.

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

**Sd/-
Parvati Nirban
Manager**

**Sd/-
Rajesh Agarwal
CFO**

Place: Mumbai
Date: 23rd August, 2017

ANNEXURE VII**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members,
Mystic Electronics Limited..

We have examined the compliance of conditions of corporate governance by **Mystic Electronics Limited** ('the Company') for the year ended 31 March 2017, as specified in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 ('the Regulations').

Management's responsibility

The Company's management also takes full responsibility of the compliance of conditions of corporate governance as stipulated in the Regulations.

Auditors' responsibility

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

We conducted our engagement in accordance with the 'Guidance Note on Audit Reports and Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. Our responsibility is to certify based on the work done.

Conclusion

In our opinion, and to the best of our information and according to the explanations given to us, subject to the qualifications mentioned in the secretarial audit report we certify that the Company has complied with the conditions of Corporate Governance as specified in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the aforementioned Regulations.

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

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

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

Place : Mumbai
Date : 18th August, 2017

ANNEXURE VIII**APPOINTMENT AND REMUNERATION POLICY OF DIRECTORS,
KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES****1. OBJECTIVE:**

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

2. POLICY ON BOARD DIVERSITY:

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

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

2.1 Policy for Appointment and Removal of Director, Senior Management Personnel & KMP:**❖ Selection Criteria for Directors:**

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

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

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

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

❖ Selection Criteria for Senior Management Personnel & KMP

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

❖ Removal:**i) Directors & KMPs:**

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

ii) Senior Management Personnel:

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

3. PERFORMANCE EVALUATION OF DIRECTORS:

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

3.1 Role & Accountability

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

3.2 Objectivity

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

3.3 Leadership & Initiative

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

3.4 Personal Attributes

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

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

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

- **Pay for performance:** Remuneration of Executive Directors, KMP and other employees is a balance between fixed and incentive pay reflecting short and long term performance objectives

appropriate to the working of the Company and its goal. The remuneration of Non-Executive Directors shall be decided by the Board based on the profits of the Company and industry benchmarks.

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

4.2 Remuneration:

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

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

b. Remuneration to Non- Executive / Independent Director:

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

c. Remuneration to KMP:

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

d. Remuneration to Senior Management Personnel:

The Committee will recommend the remuneration to be paid to the Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate senior management of the quality required to run the Company successfully. The same should be reviewed periodically to make any adjustment based on the market. The remuneration of such persons shall be in

accordance with performance criteria defined for the role through performance management system to achieve the company's goal. The remuneration should be a balance of fixed and incentive pay which will be determined by fixed pay components and executive incentives scheme applicable to their level as and when in place.

5. FAMILIARIZATION PROGRAM

The Management will familiarize the Independent Directors on the following:

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

6. REVIEW AND AMENDMENT:

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

INDEPENDENT AUDITOR'S REPORT

To the Members of
Mystic Electronics Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Mystic Electronics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material

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

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

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017; and
- b) in the case of the Statement of Profit and Loss of the Loss for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the cash flow dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards Section 133 of the Companies Act, 2013, With Rule 7 of Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on March 31, 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 clause of Section 164(2) of the Companies Act, 2013;
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the financial position of the company.
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The company has provided requisite disclosure in its financial statements as to its holding and dealings in Specified Bank Notes (SBN's) as specified in the notification G.S.R. 308(E) dated 30th March, 2017 of the Ministry of Corporate affairs, during the period from November 08, 2016 to December 30, 2016. Based on audit procedures performed and relying on the management representation we report that the disclosures are in accordance with the relevant books of accounts maintained by the company and as produced to us by the management of the company.

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

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

**Place : Mumbai
Date : 19th June, 2017**

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our report to the member of **Mystic Electronics Limited** for the year ended 31st March 2017, we report that :

1. In respect of its Fixed Assets :

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

2. In respect of its inventories:

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

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

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

- (c) The amount is overdue by Rs. 6,57,60,750/- in respect of the loan granted to the body corporate listed in the register maintained under section 189 of the Act.
- 4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- 5. The company has not accepted any deposits from the public.
- 6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company
- 7. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the company is generally regular though there are slight delays in depositing the undisputed statutory dues including Income Tax , service tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Service tax, cess and other material statutory dues were in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable.

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

- (c) As explained to us, the company does not have any dues on account of investor education and protection fund
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
 9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
 10. According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
 11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
 12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
 13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
 14. In our opinion and according to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
 15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence, clause (xv) of paragraph 3 of the Order is not applicable.
 16. To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

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

**Place : Mumbai
Date : 19th June, 2017**

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **M/s. Mystic Electronics Limited** ("the Company") as of 31 March 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, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W**

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

**Place : Mumbai
Date : 19th June, 2017**

BALANCE SHEET AS AT 31ST MARCH, 2017

Amount in Rs. (₹)

PARTICULARS	NOTE NO.	AS AT 31-03-2017	AS AT 31-03-2016
EQUITY AND LIABILITIES :			
SHARE HOLDER'S FUND :			
Share Capital	2	197,662,480	197,662,480
Reserves & Surplus	3	273,559,451	293,606,377
		471,221,931	491,268,857
CURRENT LIABILITIES :			
Short-term Borrowings	4	-	1,544,939
Trade Payables	5	42,876,229	47,568,855
Other Current Liabilities	6	3,571,683	3,499,007
Short-term Provisions	7	252,120	2,450,735
		46,700,032	55,063,536
TOTAL		517,921,963	546,332,393
ASSETS :			
NON-CURRENT ASSETS			
Fixed Assets:			
Tangible assets	8	135,607	45,088
Non-Current Investment	9	53,355,000	44,535,000
Deferred Tax Assets	10	34,911	146,606
Long-term Loans & Advances	11	162,234,614	154,766,101
		215,760,132	199,492,795
CURRENT ASSETS			
Inventories	12	3,413,787	13,870,502
Trade receivables	13	58,729,063	58,729,063
Cash & cash equivalent	14	606,919	17,707,868
Short-term Loans & Advances	15	239,412,062	256,532,164
		302,161,831	346,839,597
TOTAL		517,921,963	546,332,393
SIGNIFICANT ACCOUNTING POLICY :	1		
NOTES ON FINANCIAL STATEMENTS :	2 TO 28		

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co
Chartered Accountants
FRN : 100986W

Sd/-
Jatin Bansal
Partner
Membership No : 135399
Place : Mumbai
Date : 19th June, 2017

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

Sd/-
Krishan Khadaria
Director
DIN :00219096

Sd/-
Manoj Bhatia
Director
DIN :01953191

Sd/-
Manisha Swami
Company Secretary

Sd/-
Rajesh Agarwal
CFO

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

Amount in Rs. (₹)

PARTICULARS	NOTE NO.	AS AT 31-03-2017	AS AT 31-03-2016
INCOME :			
Revenue from operation	16	34,027,263	160,816,670
Other Income	17	8,275,655	12,465,697
Total revenue		42,302,918	173,282,367
EXPENSES :			
Purchases of Stock -in -trade	18	15,587,272	141,594,051
Change in Inventory	19	10,456,716	(13,870,502)
Employee Benefits Expenses	20	4,452,797	6,067,794
Finance Cost	21	258,314	54,056
Depreciation	8	137,443	28,112
Other Expenses	22	31,093,487	31,121,271
Total expenses		61,986,029	164,994,781
Profit before tax		(19,683,111)	8,287,586
Tax Expenses			
Current Tax		252,120	2,450,735
Deferred Tax		111,695	106,459
		363,815	2,557,194
Profit after tax		(20,046,926)	5,730,392
Earning per share	23		
Basic		(1.01)	0.29
Diluted		(1.01)	0.29
SIGNIFICANT ACCOUNTING POLICY NOTES ON FINANCIAL STATEMENTS	1 2 TO 28		

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co
Chartered Accountants
FRN : 100986W

Sd/-
Jatin Bansal
Partner
Membership No : 135399
Place : Mumbai
Date : 19th June, 2017

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

Sd/-
Krishan Khadaria
Director
DIN :00219096

Sd/-
Manoj Bhatia
Director
DIN :01953191

Sd/-
Manisha Swami
Company Secretary

Sd/-
Rajesh Agarwal
CFO

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

Amount in Rs. (₹)

Sr. No.	Particulars	For the year ended 31-03-2017	For the year ended 31-03-2016
A.	Cash Flow from Operating Activities:		
	Net profit before tax & extra ordinary items	(19,683,111)	8,287,586
	Adjustment for:		
	- Depreciation	137,443	28,112
	- Interest	(8,259,655)	(12,449,697)
	- Interest		
	Operating profit before working capital changes	(27,805,322)	(4,133,999)
	Adjustment for:		
	Loans & Advances	9,651,589	(6,500,725)
	Trade Receivables	-	14,642,200
	Other Current Assets	-	-
	Inventories	10,456,716	(13,870,502)
	Current Liabilities	(8,363,504)	13,603,191
	Cash Generated from Operations	11,744,800	7,874,164
	Taxes Paid	(16,060,522)	3,740,164
		(252,120)	(2,450,735)
	Net Cash from Operating activities	(16,312,642)	1,289,429
B.	Cash Flow From Investing Activities:		
	Purchase of Fixed Assets	(227,962)	(73,200)
	Interest received	8,259,655	12,449,697
	Purchase of Investment	(8,820,000)	-
	Net Cash from Investing activities	(788,307)	12,376,497
C.	Cash Flow From Financing Activities:		
	Net Cash from Financing activities	-	-
	Net increase in Cash and Cash Equivalents	(17,100,949)	13,665,926
	Cash & Cash Equivalents (Opening)	17,707,867	4,041,941
	Cash & Cash Equivalents (Closing)	606,919	17,707,867

- Note :**
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement notified by the Companies (Accounting Standard) Rules, 2006.
 - Cash & Cash Equivalents at the end of the year consist of Cash in Hand and Balances with Banks and are net of Short Term Loans and Advances from banks as follows :

Particulars	As at 31-03-2017	As at 31-03-2016
Cash in Hand	273,153	9,587,647
Balances with Banks	333,767	8,120,221
Total	606,919	17,707,868

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

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co

Chartered Accountants

FRN : 100986W

Sd/-
Jatin Bansal
Partner

Membership No : 135399

Sd/-
Manisha Swami
Company Secretary

Sd/-
Rajesh Agarwal
CFO

Place : Mumbai
Date : 19th June, 2017

For and on behalf of Board of Directors

Mystic Electronics Limited

(Formerly known as Pearl Electronics Limited)

Sd/-
Krishan Khadaria
Director
DIN :00219096

Sd/-
Manoj Bhatia
Director
DIN :01953191

**Statement of Significant Accounting Policies adopted by the Company in the preparation of
Financial Statements as at and for the year ended March 31, 2017**

Note 1: Significant Accounting Policies

1. Basis of accounting and preparation of financial statements

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

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

2. Use of estimates

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

3. Inventories

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

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

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

5. Cash flow statement

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

6. Depreciation and amortization

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

7. Revenue recognition

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

8. Other income

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

9. Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred

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

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

10. Investments

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

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

11. Employee Benefits

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

12. Earnings per share

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

13. Taxes on income

Current Tax

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

Minimum Alternate Tax

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

Deferred Tax

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

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

Note No.	PARTICULARS	AS AT 31-03-2017 Amount Rs. (₹)	AS AT 31-03-2016 Amount Rs. (₹)
2	<u>SHARE CAPITAL :</u>		
	Authorised Capital: 2,10,00,000 (2,10,00,000) Equity Shares of Rs. 10/- each	210,000,000	210,000,000
	Issued, Subscribed & Paid up Capital : 1,97,66,248 (19,76,62,480) Equity Shares of Rs. 10/- each fully paid-up	197,662,480	197,662,480
		197,662,480	197,662,480

- 2.1. The reconciliation of number of shares outstanding and the amount of share capital as at March 31, 2017 and March 31, 2016 is set out below :

Particular	As at March 31, 2017		As at March 31, 2016	
	Numbers	Amount	Numbers	Amount
Number of share at the beginning of the year	19,766,248	197,662,480	197,662,480	197,662,480
Less: Share consolidated during the year	--	--	197,662,480	197,662,480
Add: Share consolidated during the year	--	--	19,766,248	197,662,480
Number of share at the end of the year	19,766,248	197,662,480	19,766,248	197,662,480

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

Particular	As at March 31, 2017		As at March 31, 2016	
	Numbers	%	Numbers of Shares	%
Sanjay Singal	100,000	5.06%	1,000,000	5.06%
Sanjay Singal-HUF	100,000	5.06%	1,000,000	5.06%
Aarti Singal	100,000	5.06%	1,000,000	5.06%

3 RESERVES & SURPLUS:

Capital Reserve

Opening Balance

808,434

808,434

A

808,434

808,434

Security Premium

Opening Balance

468,330,200

468,330,200

Less: Calls in Arrears*

189,779,400

189,779,400

B

278,550,800

278,550,800

* This represents the Additional Premium Receivable of Rs. 35.74 per share on 5310000 shares of Rs. 10/- each based on the pricing formula prescribed under Chapter VII of SEBI (Issue of Capital and Disclosure Requirements Regulation, 2009) in respect of 9230000 Equity Shares of Rs. 10/- each allotted on preferential basis in the F.Y. 2013-14.

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

Note No.	PARTICULARS	AS AT 31-03-2017 Amount Rs. (₹)	AS AT 31-03-2016 Amount Rs. (₹)
Profit & Loss Account			
	Opening Balance	14,247,143	8,516,751
	Add: Profit for the Year	(20,046,926)	5,730,392
	C	(5,799,783)	14,247,143
	(A+B+C)	273,559,451	293,606,377
4	Short Term Borrowings		
	Borrowings from others	-	1,544,939
		-	1,544,939
5	TRADE PAYABLES:		
	Trade Payables	42,876,229	47,568,855
		42,876,229	47,568,855
5.1.	The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable under the said Act have not been made.		
6	OTHER CURRENT LIABILITIES:		
	Axis Bank Ltd. - 3994 (Cheque Overdrawn)	1,194,481	-
	Other Payables:		
	Statutory Remittances	2,123,056	2,744,307
	Others	254,147	754,700
		3,571,683	3,499,007
7	SHORT TERM PROVISIONS:		
	Provision for tax	252,120	2,450,735
		252,120	2,450,735

8 FIXED ASSETS (at Cost less Depreciation)

Amount (Rs.)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01/04/16	Additions	Deductions for the year	AS AT 31/03/17	UP TO 01/04/16	FOR THE YEAR	Adjustment during the year	Upto 31/03/17	AS AT 31/03/17	AS AT 31/03/16
Tangible Assets										
Computer	73,200	227,962	-	301,162	28,112	137,443	-	165,555	135,607	45,088
Total	73,200	227,962	-	301,162	28,112	137,443	-	165,555	135,607	45,088
Previous Year	-	73,200	-	73,200	-	28,112	-	28,112	45,088	-

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

Note No.	PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
		Amount Rs. (₹)		Amount Rs. (₹)	
9	NON-CURRENT INVESTMENTS:				
	Particular	As at March 31, 2017		As at March 31, 2016	
		No.	Amount	No.	Amount
	(1) Investments in Equity Instruments (Valued at cost less other than temporary diminution in value, if any) Other than Trade Investments - - Unquoted	743,350	48,555,000	662,250	39,735,000
	(2) Investments in Preference Shares (Valued at cost less other than temporary diminution in value, if any) Other than Trade Investments- - Unquoted	80,000	4,800,000	80,000	4,800,000
	Total	823,350	53,355,000	742,250	44,535,000
9.1	Aggregate amount of unquoted Investments		53,355,000		44,535,000
10	DEFERRED TAX ASSETS:				
	Deferred Tax Assets:				
	On difference between book balance and tax balance of fixed assets		(8,878)		(2,577)
	Disallowance u/s 35D of the Income Tax Act, 1961		43,789		149,183
			34,911		146,606
11	LONG TERM LOANS & ADVANCES (Unsecured Considered Good)				
	Advances Against Property		158,000,000		152,000,000
	Share Application Money		2,750,000		-
	Income Tax Paid (Net of Provision)		1,484,614		2,766,101
			162,234,614		154,766,101
12	INVENTORIES				
	Stock		3,413,787		13,870,502
			3,413,787		13,870,502
13	TRADE RECEIVABLES: (Unsecured, considered good)				
	Outstanding for a period exceeding six months		58,729,063		58,729,063
			58,729,063		58,729,063
14	CASH & CASH EQUIVALENTS:				
	Cash on Hand		273,153		9,587,647
	Balances with scheduled banks in Current accounts		333,767		8,120,221
			606,919		17,707,868

14.1 In terms of Notification No. GSR 308(E) dtd 30th March 2017 of Ministry of Corporate Affairs, the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December, 2016 are as under :

Note No.	PARTICULARS	AS AT 31-03-2017 Amount Rs. (₹)	AS AT 31-03-2017 Amount Rs. (₹)
	Closing Cash in hand as on 08.11.2016		
	SBN's	7250000	
	Other denomination notes	261663	
		7511663	7511663
	Add:		
	Permitted Receipts	-	
	Receipts Other Denomination	-	
	Bank Withdrawal Other denomination	350000	
		350000	
		7861663	
	Less:		
	Permitted payments	-	
	Amount deposited in Bank (SBN)	7250000	
	Amount deposited in Bank (other denomination)	-	
	Other payments other denomination	386020	
		7636020	
	Closing cash in hand as on 30.12.2016	225643	
15	<u>SHORT TERM LOANS & ADVANCES:</u> (Unsecured Considered Good)		
	Inter Corporate Deposit	77,571,694	55,668,927
	Less : Provision for Doubtful Loans	(20,757,767)	-
		56,813,927	55,668,927
	Loans & advances to Related Parties	65,760,750	89,366,970
	Loans and advances to others	22,614,385	21,490,103
	Advance to Suppliers	93,250,000	89,033,164
	Less : Provision for Doubtful Advances		
		93,250,000	
	Security Deposit	973,000	973,000
		239,412,062	256,532,164
16	<u>REVENUE FROM OPERATIONS:</u>		
	Sales of Products and Services:		
	Sales of Products	24,513,948	138,673,873
	Order Processing Fees	4,130,294	21,332,569
	Incentive & Others	5,383,021	810,228
		34,027,263	160,816,670
17	<u>OTHER INCOME:</u>		
	Dividend	16,000	16,000
	Interest on Loan & Advances	8,259,655	12,449,697
		8,275,655	12,465,697
18	<u>PURCHASES OF STOCK-IN-TRADE:</u>		
	Purchases	15,587,272	141,594,051
		15,587,272	141,594,051

Note No.	PARTICULARS	AS AT 31-03-2017 Amount Rs. (₹)	AS AT 31-03-2016 Amount Rs. (₹)
19	<u>CHANGE IN INVENTORY</u>		
	Inventory at the end of the year	3,413,787	13,870,502
	Inventory at the beginning of the year	13,870,502	-
		10,456,716	(13,870,502)
20	<u>EMPLOYEE BENEFITS EXPENSES:</u>		
	Salaries & Bonus	4,317,151	5,103,389
	Staff Welfare	135,646	964,405
		4,452,797	6,067,794
21	<u>FINANCE COST:</u>		
	Interest on Unsecured Loan	121,332	49,932
	Interest on Deffered payment of Tax	136,982	4,124
		258,314	54,056
22	<u>OTHER EXPENSES:</u>		
	Annual Listing & Custodian Charges	275,000	200,000
	Auditors Remuneration	100,000	100,000
	Bad Debts/ Provisions	20,757,767	-
	Bank Charges	48,226	321,688
	Brokerage Expenses	-	35,000
	Compliance & Legal Expenses	92,650	182,057
	Conveyance Expenses	131,198	189,783
	Demat Charges	859	843
	Delivery Charges	1,825,447	10,366,810
	Labour Charges	154,978	
	Director Sitting Fees	-	23,500
	Electricity Charges	158,645	165,918
	Filing Fees	24,900	32,800
	Insurance Charges	17,634	-
	Service Tax Expenses	322,654	
	Legal & Professional Fees	743,500	270,936
	Miscellaneous Expenses	232,242	343,526
	Office Expenses	90,274	48,426
	Office & Godown Rent	1,886,000	2,227,000
	Order Processing Fees	3,071,592	15,267,407
	Postage & Courier Charges	53,413	82,242
	Printing & Stationery	127,077	346,344
	Publication Exp	19,470	59,549
	Repair & Maintenance	51,802	140,041
	Sales Promotion Expenses	-	328,500
	RTA Service Charges	43,982	70,155
	Sundry Balance W/off	762,164	
	Telephone Charges	96,422	203,546
	Travelling Expenses	5,592	115,200
		31,093,487	31,121,271

Note No.	PARTICULARS	AS AT 31-03-2017 Amount Rs. (₹)	AS AT 31-03-2016 Amount Rs. (₹)
23	Earnings Per Share(EPS)		
(i)	Net Profit/(Loss) after tax as per statement of Profit and Loss attributable to Equity Shareholders	(20,046,926)	5,730,392
(ii)	Weighted Average number of equity shares used as denominator for calculating EPS	19,766,248	19,766,248
(iii)	Basic Earning Per Share (in Rs.)	(1.01)	0.29
(iv)	Diluted Earning Per Share (In Rs.)	(1.01)	0.29
(v)	Face value per share	10	10
	Note: The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earnings per share of the company remain the same.		
24	In the Opinion of the Board, the Current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business. The provisions for all known liabilities are adequate.		
25	Payment to Auditors includes payment for:		
	Audit Fees	100,000	100,000
		<u>100,000</u>	<u>100,000</u>
			(Rs. In Lacs)
26	Commitments and Contingent Liabilities:	AS AT 31.03.2017	AS AT 31.03.2016
	Estimated amount of contracts remaining to be executed on capital account not provided (Net of advances).	350	721
	Income Tax demand disputed in Appeals A.Y. 2013-14 & 2014-15	1,128	Nil
	Total	<u>1,478</u>	<u>721</u>

27 Related Party Disclosures

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

a) Key Management Personnel

Mr. Krishan Khadaria	Director
Mr. Manoj Bhatia	Director
Mr. Tarun Keram	Director
Mr. Madhumati Gawande	Director
Mr. Parvati Nirban	Director

b) Shareholder's of the company

Mr. Krishan Khadaria

Note No.	PARTICULARS	AS AT 31-03-2017 Amount Rs. (₹)	AS AT 31-03-2016 Amount Rs. (₹)
c)	Name of the enterprises having same Key Management Personnel and/or their relatives as the reporting enterprises:		
	Nouveau Shares & Securities Limited		
	Nouveau Global ventures Limited		
	Attribute Shares & Securities Private Limited		
	Forever Flourishing Finance and Investment Private Limited		
	Golden Medows Export Private Limited		
	Hilton Vyaper Private Limited		
	Kashish Multitrade Private limited		
	Kasturi Overseas Private Limited		
	Laxmiramuna Investments Private Limited		
	Bhaskar Realty Private Limited		
	Navyug Telefilm Private Limited		
	Slogan Infotech Private Limited		
	Keemaya Housing Finance Private Limited		
	Pearl Arcade Consultant Private Limited		
	Anutham Property Developers Private Limited		
	Mukta Agriculture Limited		
	Rajat Commercial Enterprises Private Limited		
	Thai Malai Golf Resort & SPA Private Limited		
	Global Enterprises		
d)	Transactions with the enterprises out of (c) above:		
	Nouveau Global ventures Limited		
	Pearl Arcade Consultant Private Limited		

Note No.	PARTICULARS	AS AT 31-03-2017 Amount Rs. (₹)	AS AT 31-03-2016 Amount Rs. (₹)
	(Previous years figures in bracket)		(Rs. in Lacs)
Nature of Transactions	In relation to (a) above	In relation to (b) above	In relation to (c) above
Unsecured Loan taken			Nil (Nil)
Repayment of Loan taken			Nil (Nil)
Loans & Advances given			16.00 (43.50)
Loans & Advances received back			305.67 (514.73)
Share Application Money Given			27.50 (Nil)
Share Application Money Received back			Nil (49.70)
Interest Received			59.56 (78.19)
Director Sitting Fees	Nil (0.25)		
Office Rent	0.96 (0.96)		
Amount Outstanding as on 31st March, 2017			
Loans & Advances given			657.61 (893.67)

28 Segment reporting (AS – 17):

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

AS PER OUR REPORT OF EVEN DATE ATTACHED

For Bansal Bansal & Co
Chartered Accountants
FRN : 100986W

Sd/-
Jatin Bansal
Partner
Membership No.: 135399

Place : Mumbai
Date : 19th June, 2017

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

Sd/-
Krishan Khadaria
Director
DIN :00219096

Sd/-
Manoj Bhatia
Director
DIN :01953191

Sd/-
Manisha Swami
Company Secretary

Sd/-
Rajesh Agarwal
CFO

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MYSTIC ELECTRONICS LIMITED

(Formerly known as Pearl Electronics Limited)

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

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

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

ATTENDANCE SLIP

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

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

NAME OF THE SHAREHOLDER / PROXY HOLDER: _____

I hereby record my presence at the **6th Annual General Meeting** of the Company held on **Tuesday, 26th September, 2017, at 11.00 a.m.** at *Vyanjan Banquet Hall, 43, Oshiwara Link Plaza, Next to Oshiwara Police Station, Link Road, Andheri (West), Mumbai-400102.*

Signature of Shareholder/Proxy holder

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



MYSTIC ELECTRONICS LIMITED

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

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

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

Form No. MGT-11

PROXY FORM

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **6th Annual General Meeting** of the Company, to be held on **Tuesday, 26th September, 2017, at 11:00 a.m.** at **Vyanjan Banquet Hall, 43, Oshiwara Link Plaza, Next to Oshiwara Police Station, Link Road, Andheri (West), Mumbai- 400102** and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	For	Against
1. Adoption of the audited Balance Sheet of the Company as at 31st March, 2017, Statement of Profit and Loss for the year ended on that date, and the Reports of the Board of Directors and Auditors thereon.		
2. Appointment of Mr. Krishan Khadaria who retires by rotation.		
3. Ratification of appointment of M/s. Bansal Bansal & Co. as Statutory Auditor of the Company and to fix their remuneration.		
Special Business:		
4. Regularization of appointment of Ms. Kartikee Yadav as Director of the Company.		
5. Approval of material related party transaction.		

Signed this day of 2017.

Signature of shareholder

Signature of Proxy holder(s)

Affix Rs. 1/-
Revenue
Stamp

Notes:

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



MYSTIC ELECTRONICS LIMITED

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 Tel.: 26778155 / 26797750 / 32459097 Fax: 26781187 CIN: L72300MH2011PLC221448
 Email: electronics.mystic@gmail.com Website: www.mystic-electronics.com

BALLOT FORM

Serial No. _____

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

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice dated **23rd August, 2017** convening the **6th Annual General Meeting** of the Company to be held on **Tuesday, 26th September, 2017, at 11:00 a.m.**, by conveying my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below:

Item No.	Description	Type of Resolution	No. of Shares held by me	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1	Adoption of the audited Balance Sheet of the Company as at 31st March, 2017, Statement of Profit and Loss for the year ended on that date, and the Reports of the Board of Directors and Auditors thereon.	Ordinary Resolution			
2	Appointment of Mr. Krishan Khadaria who retires by rotation.	Ordinary Resolution			
3	Re-appointment of M/s. Bansal Bansal & Co. as Statutory Auditor of the Company and to fix their remuneration.	Ordinary Resolution			
4	Regularization of appointment of Ms. Kartikee Yadav as director of the Company.	Ordinary Resolution			
5	Approval of Material Related party transaction.	Ordinary Resolution			

Place : _____

Date : _____

Signature of the Shareholder

NOTE: Kindly read the instructions printed overleaf before filing the form. Valid Ballot Forms received by the Scrutinizer before the conclusion of AGM (i.e.) on **26th September, 2017** shall only be considered.

E-VOTING

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

EVEN (E Voting Event No.)	User ID	PASSWORD

Please follow steps for e-voting procedure as given in the Notice of AGM by logging on to www.evoting.nsdl.com.

INSTRUCTIONS

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

Address of Scrutinizer : Mr. Arvind Baid - Scrutinizer, Flat No. 501, Ruby Palace, Plot No. 74, Ceaser Road, Opp. Filmalaya Studio, Amboli, Andheri West, Mumbai- 400058.

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