

**MIRCH TECHNOLOGIES LTD**

**Mumbai**

**38<sup>TH</sup> ANNUAL REPORT**

**AND**

**STATEMENT OF ACCOUNTS**

**2010-2011**



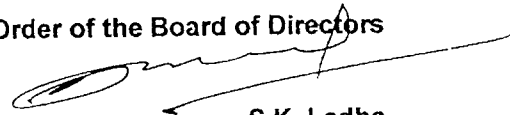
**NOTICE**

Notice is hereby given that the Thirty Eighth Annual General Meeting of the members of Mirch Technologies Limited will be held on Friday , September 30, 2011 at 3.30 P.M., at the Registered Office of the Company, at Delstar, N. S. Patkar Marg, Mumbai – 400036 to transact the following business:

**Ordinary Business:**

1. To consider and adopt the audited Balance Sheet as at March 31, 2011, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri K. S. Ladha, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. K. R. Manik & Co., Chartered Accountants as Auditors of the Company who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors.

By Order of the Board of Directors



**S.K. Ladha**  
Director

Place: Mumbai

Date : September 01, 2011

Registered Office: Delstar, N. S. Patkar Marg,  
Mumbai 400036

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should, however be deposited at the Registered Office of the company not less than 48 hours before the commencement of the meeting.
2. Members / Proxies should bring the Attendance Slip duly filled in for attending the meeting.
3. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during the office hours on all working days upto the date of Annual General Meeting.

## DIRECTORS' REPORT

**To the Members,**

Your Directors present herewith Thirty Eighth Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2011.

### FINANCIAL RESULTS:

The working results of the Company for the year under review are as under:

Particulars	(Rs. In lacs) 2010-2011	(Rs. In lacs) 2009-2010
Turnover/other income	11.70	25.65
Net Profit/(Loss) for the year	(3.52)	5.45

### OPERATION:

The Company is not having its own fabrication workshop. Directors tried to get orders but to execute the same from outside workshop was not cost effective.

### DIVIDEND:

Your Directors have not recommended any dividend on equity shares for the year under review.

### DIRECTORS:

Shri K. S. Ladha retires by rotation at the Annual General Meeting and being eligible offers himself for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT:-

As required under Section 217 of the Companies Act, 1956, the Directors hereby confirm that :

- (i) in the preparation of the accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability;
- (iv) The Directors have prepared the annual accounts on a 'going concern' basis.

**PARTICULARS OF EMPLOYEES:**

The provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 are not applicable as no employee was in receipt of remuneration in excess of the limits set out under the said section.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO: PARTICULARS REQUIRED TO BE FURNISHED BY THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:**

- (1) Part A and B pertaining to conservation and technology absorption are not applicable to the Company for the year under review.
- (2) Foreign Exchange earnings and outgo: The Company has neither used nor earned any foreign exchange during the period under review.

**CORPORATE GOVERNANCE:**

The company is not required to have Corporate Governance report during the year under review.

**SECRETARIAL COMPLIANCE REPORT:**

Pursuant to the provisions of section 383A of the Companies Act, 1956, read with the Companies (Compliance Certificate) Rule, 2001 a Secretarial Compliance Report from a practicing Company Secretary is attached herewith and forming part of this Directors' Report.

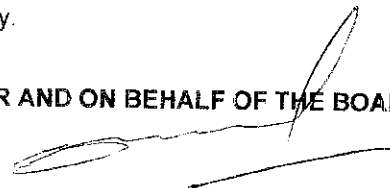
**AUDITORS AND AUDITORS' REPORT:**

M/s. K. R. Manik & Co. Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting.

M/s. K. R. Manik & Co. Chartered Accountants have been recommended for the appointment of Statutory Auditors. The Company has received a letter from them to effect that their appointment if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

Notes referred to in the Auditors' report are self-explanatory.

**FOR AND ON BEHALF OF THE BOARD**



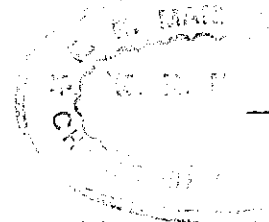
**S. K. LADHA  
CHAIRMAN**

Mumbai

Date: September 1, 2011

*Auditor's report to the members*  
of  
MIRCH TECHNOLOGIES LTD.

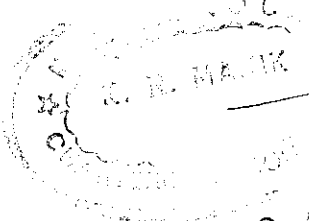
1. We have audited the attached Balance Sheet of MIRCH TECHNOLOGIES LTD. as at 31<sup>st</sup> March , 2011, the Profit and Loss account and also Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the accounting standards generally accepted in India . Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement . An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation . We believe that our audit provides a reasonable basis for our opinion .
3. *The Company's accumulated Losses as on 31<sup>st</sup> March , 2011 have eroded the entire share capital, the accounts are continued to be prepared on the assumption of a going concern concept basis .*
4. As required by the Companies (Auditor's Report) order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together 'the Order'), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 of India (the 'Act'), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.



M. No. 9150

Further to our comment in the Annexure referred to in Paragraph 3 above, we report that :

- a. We have obtained all the information and explanation, 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 appears from our examination of those books;
- c. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account ;
- d. In our opinion, the balance sheet, Profit and loss account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable ;
- e. On the basis of written representation received from the directors , as on 31<sup>st</sup> March , 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March , 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; .
- f. *Reference is invited to Note No. (2) in respect of provision for gratuity, (4) in respect confirmation of balance due to and due from various parties, (7) in respect of disclose of expenses separately as required by part II of schedule VI, and (9) in respect of redeemable preference shares,*
- g. Subject to matters stated in paragraph 3 and 5(f) above. In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- i. In the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March , 2011 .

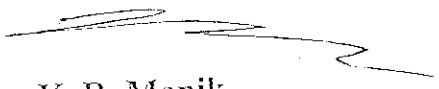
  
R. B. HARK  
M. N. 9550

- ii. In the case of the profit and loss account, of the Loss for the year ended on that date; and
- iii. In the case of cash flow statement, of the cash flow for the year ended on that date.

For K. R. Manik & Co.  
Chartered Accountants

Place : Mumbai  
Date : 14 SEP 2011

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Stamp: 101  
Handwritten: M. No. 9550

  
K. R. Manik  
(Proprietor)

MIRCH TECHNOLOGIES LTD.

ANNEXURE TO THE AUDITOR'S REPORT

(as referred to in paragraph 4 of our report of even date)

- 1) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets .  
b) These fixed assets have been physically verified by the management at regular interval considering the size of the Company and nature of assets . No material discrepancies have been noticed on such verification .  
c) No disposal of a substantial part of fixed assets of the Company has taken Place during the year .
- 2) a) As explained to us , the inventories were physically verified by the management at reasonable intervals. Company does not have any stock during the year.  
b) In our opinion and according to the information and explanation 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) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and the discrepancies noticed on such physical verification between physical stock and the book records were not material and have been adequately dealt with in the books of account .
- 3) As per information and explanations provided to us ;  
(a) During the year Company has taken unsecured Loans / advances from companies, firms and other parties covered in the Register maintained under section 301 of the Companies Act, 1956 comprising (i) from Company aggregating to Rs. NIL , the maximum amount Rs.74.36 Lacs and the year end balance was Rs. 74.30 Lacs, and (ii) from directors and his relatives aggregating to Rs. 22.70 Lacs , the maximum amount and year end balance was Rs. 108.60 Lacs. The Company has not granted any Loan

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during the year to any party covered in the register maintained under Section 301 of the Companies Act, 1956 .

- (b) No interest is charged / paid on such Loans and other terms and conditions of the aforesaid unsecured loans / advances taken by the company are not prima facie , prejudicial to the interest of the Company .
  - (c) The terms of repayment have not been stipulated .
  - (d) There is no overdue amount of Loans / advances taken .
- 4) The Company has adequate internal management control procedure Commensurate with the size of the Company and nature of its business with regard to purchase of inventory and other assets and sale of goods .We have not come across any major weakness in internal control by management .
- 5) a) In our opinion and according to the information and explanations given to us , transactions that need to be entered into a Register in pursuance of section 301 of the Companies Act, 1956 have been so entered ;
- b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding Rs. Five lacs in respect of any party during the year .
- 6) As the Company has not accepted deposits from the public, compliance of the Provision of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 , with regard to the deposits accepted from public does not apply .
- 7) Although it is required to have internal Audit system, the Company has no such system carried out during the year under review . However the Company has adequate internal management control procedure commensurate with the size of the Company and nature of its business.
- 8) The Central Government has not prescribed the maintenance of the cost records under Section 209 (1)(d) of the Companies Act, 1956 for the Company .
- 9) a) According to the records of the Company, the Company is not regular in depositing undisputed statutory dues except the Income Tax and Professional Tax with the appropriate authorities. According to the information and

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