

# **MITSHI INDIA LTD.**

**(Formerly known as Dera Paints & Chemicals Ltd.)**



**26<sup>th</sup> Annual Report  
2015-16**



## **BOARD OF DIRECTORS**

Shri Kumar V. Shah	-	Chairman & Managing Director - DIN NO :-01451912
Shri H.A. Salunkhe	-	Non Executive / Independent Director - DIN NO :-03626114
Shri Hasmukh Patel	-	Non Executive / Independent Director - DIN-00103811
Ms. Drashti T Savla	-	Non Executive / Independent Women Director - DIN-07117018

## **AUDITORS**

C.K. Patil & Co.  
Chartered Accountants

## **SOLICITORS & LEGAL ADVISORS**

Dhru & Company

## **AUDIT COMMITTEE**

Shri H.A. Salunkhe	-	Non Executive / Independent Director
Shri Hasmukh Patel	-	Non Executive / Independent Director

## **SHARE TRANSFER/STAKE HOLDERS COMMITTEE**

Shri. Kumar V. Shah	-	Chairman & Managing Director
Shri H.A. Salunkhe	-	Non Executive / Independent Director

## **NOMINATION & REMUNERATION COMMITTEE**

Shri H.A. Salunkhe	-	Non Executive / Independent Director
Shri Hasmukh Patel	-	Non Executive / Independent Director

## **RISK MANAGEMENT COMMITTEE**

Shri. Kumar V. Shah	-	Chairman & Managing Director
Shri H.A. Salunkhe	-	Non Executive / Independent Director

## **BANK**

Sangali Sahakari Bank

## **REGISTERED OFFICE**

2, Juhu Aradhana CHS Ltd.,  
Juhu Lane, Mumbai 400 058  
Maharashtra. INDIA

## **REGISTRAR & SHARES TRANSFER AGENT**

Adroit Corporate Services Ltd.  
9, Jaferbhoy Industrial Estate  
Makawana Road, Marol Naka, Mumbai - 400059.

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## **NOTICE TO THE MEMBERS**

NOTICE is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of **MITSHI INDIA LIMITED** will be held on Saturday the 27<sup>th</sup> August, 2016 at 9.00 a.m. at Emerald Club hall, Royal palms, Aarey colony Goregaon (e) Mumbai-400065.

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2016, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kumar V. Shah, who retires by rotation, and being eligible offers himself for Reappointment.
3. 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 of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. C.K. Patil & Co., Chartered Accountants (Firm Registration No. 107803W), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016 on such remuneration as may be determined by the Board of Directors.

### **SPECIAL BUSINESS**

#### **4. INCREASE IN REMUNERATION OF MR. KUMAR V.SHAH, CHAIRMAN AND MANAGING DIRECTOR**

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 197, 201, 178 and 110 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the Company, recommendation and approval of increase in remuneration from ₹ 7500/- to ₹ 2,50,000/- of Mr. Kumar V. Shah, by the Remuneration Committee, the consent of the members of the Company be and is hereby accorded of the alteration in the remuneration payable to Mr. Kumar V.Shah, Managing Director of the Company with effect from 1<sup>st</sup> April, 2016.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to increase the remuneration of the Managing Director, as it may, at its discretion deem fit from time to time, provided however that the increased remuneration shall not exceed the limits specified in Schedule V of the Companies Act, 2013 or any statutory amendment or re-enactment thereof.

**RESOLVED FURTHER THAT** the above remuneration shall be payable to Mr. Kumar V. Shah in absence of adequate profits.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorised to sign, execute and submit all the necessary forms, applications, documents with Registrar of Companies as may be required in this matter and he is also authorised to take all the necessary steps, actions as may be required in this matter.

Registered Office:

By Order of the Board  
**Kumar Shah**  
Chairman and Managing Director

Place : Mumbai

Date : 21/07/ 2016



## NOTES:-

1. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
2. A statement giving the relevant details of the Directors seeking re-appointment under Item Nos. 2 of the accompanying Notice, as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed herewith.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. A person can act as a proxy on behalf of Members not exceeding fifty in number 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 a proxy and such person shall not act as proxy for any other person or shareholder.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. 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 at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. The amount of dividend remaining unpaid for the year ...NIL...have been transferred to the company's unpaid dividend account, and can be claimed from the company by the members entitled to it for a period of seven years from the respective dates of such transfer after which it shall be transferred to the Investor Education and Protection Fund (IEPF) constituted Under Section 205 (C) of the Companies Act, 1956.
10. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

The members are requested to get their shares dematerialized. The company's ISIN Code is INE844DO1017.

11. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:

**a) [info@adroticorporate.com](mailto:info@adroticorporate.com) /[mitshi.india@gmail.com](mailto:mitshi.india@gmail.com)**

The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.



12. (a) In accordance with the provision of Section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members. The company has engaged the services of CENTRAL DEPOSITORY SERVICES LIMITED (CDSL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link [www.evotingindia.com](http://www.evotingindia.com) during the following voting period:

Commencement of e-voting : 09 (am) on 24/08/2016

End pm 26/08/2016 e-voting : 05 pm on 26/08/2016

E-voting shall not be allowed beyond 26/08/2016. During the E-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is 26/08/2016.

- (b) The company has engaged the services of Central Depository Services Limited (CDSL) as the Authorized Agency to provide e-voting facilities.
- (c) The company has appointed Jignesh M. Pandya, Practising Company Secretary, as 'scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- (d) The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (e) "Voting by electronic means" or "electronic voting system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'.

It also helps the shareholders to cast their vote from anywhere and at any time during E-voting period.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 09 am on 24/08/2016 and ends on 05 pm on 26/08/2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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 the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
14. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company's website: [www.mitshi.in](http://www.mitshi.in)

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013**

The following Explanatory Statements, as required under Section 102 of the Companies Act, 2013, set out all material facts relating to the business under Item Nos. 4 and 5 of the accompanying Notice.

##### **ITEM NO. 4**

It has been proposed to increase the remuneration payable to Mr. Kumar V. Shah, Chairman and Managing Director of the Company from ₹ 7500/- to ₹ 2,50,000/- per month wef 1<sup>st</sup> April, 2016. The Remuneration Committee has considered his major contribution in turning around the Company. The proposed increase in remuneration is recommended in order to compensate him for his efforts in managing affairs of the Company. It has also considered the remuneration payable to managerial personnel in the industry in general. The proposed remuneration is within the limits prescribed in Schedule V to the Companies Act, 2013.

Except Mr. Kumar V. Shah, none of the Directors or key managerial personnel of the Company or their relatives are concerned or interested in the proposed resolution.

By Order of the Board

**Kumar V. Shah**  
Managing Director

Place : Mumbai

Date : 21/07/ 2016



## **ANNEXURE FOR ITEM NO. 2 OF THE NOTICE**

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

<b>Name of the Director</b>	<b>Mr. Kumar V. Shah</b>
Director Identification Number (DIN)	01451912
Date of Birth	06TH JANUARY, 1958
Nationality	INDIAN
Date of Appointment on Board	21-09-1990
Qualification	Inter B.Com
Shareholding in Mitshi India Limited. Last year holding was 14.71% and it was reduced to 11.38%. The effect due to increase in capital there is no change in quantity of shares.	11.38%
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL





## DIRECTORS' REPORT

To,

The Members

### **MITSHI INDIA LIMITED**

Your Directors have pleasure in presenting their 26<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

#### **1. Financial summary or highlights/Performance of the Company (Standalone)**

<b>PARTICULARS</b>	<b>2015-2016</b>	<b>2014-2015</b>
Gross Income	1605403	17.67
Profit Before Interest and Depreciation	(1080554)	(22.22)
Finance Charges	480	0
Gross Profit before Depreciation	(1081034)	(22.22)
Provision for Depreciation	136072	1.25
Net Profit Before Tax	(1217106)	(23.47)
Provision for Tax ( DTL Reversed)	0	0.3
Net Profit After Tax	(1217106)	(23.11)
Balance of Profit brought forward	(132183778)	(1298.31)
Useful life expired-assets w/off	(0)	(0.42)
Balance available for appropriation	(133400884)	(1321.84)
Proposed Dividend on Equity Shares	0	0
Tax on proposed Dividend	0	0
Transfer to General Reserve	0	0
Surplus carried to Balance Sheet	(133400884)	(1321.84)

#### **2. Brief description of the Company's working during the year/State of Company's affair**

Your Company has already started various activity to generate revenue.

During the year company made Loss of ₹ 12.17 Lacs as compared to previous year's loss of ₹ 23.11 Lacs mainly due to payment / expensives made for restructuring the Company.

#### **3. Change in the nature of business, if any**

There is change in the nature of business of the Company. ( The addition are as under)

- (i) Software Developments, Hardware & Computers connected various products
- (ii) Logistics Business
- (iii) Gold, Silver, platinum, Diamond, jewellery Business
- (iv) Papers and byproducts of papers
- (v) General Merchandise Business (online or offline e-commerce business)
- (vi) Scrap business



#### 4. Dividend

In view of the loss, the Directors are unable to recommend any dividend for the year.

#### 5. Reserves

No amounts are transferred to Reserves in view of Losses.

#### 6. Share Capital

##### Issue of Shares with differential rights

The company not issued any shares with differential rights under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 [Chapter IV]. Hence, no details are provided for it.

##### Issue of sweat equity share

The company not issued any shares under the provision Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014. Hence, no details are provided for it.

##### Preferential Issue of Equity Shares

The Company has issued 18,39,930 equity shares of ₹ 10/- each at par on preferential basis after obtaining all the applicable approvals.

#### 7. Directors and Key Managerial Personnel -

Mr. Kumar V. Shah, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

#### 8. Particulars of Employees

The Company has no employees in respect of whom information under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees of the Company.

#### 9. Meetings-

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 6 Board Meetings and 6 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### 10. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### 11. Declaration by an Independent Director(s) and re- appointment, if any

The Company has received declarations from all the Independent Director(s) confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and clause 49 of the Listing Agreement.

#### 12. Remuneration Policy

The Board will on the recommendation of the Nomination & Remuneration Committee frame a policy for selection and appointment of Directors, Senior Management and their remuneration.