

# **MASHAAL IMPEX LIMITED**

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## **31<sup>ST</sup> ANNUAL REPORT 2015-2016**

**CIN:** L51109WB2002PLC094647

**Registered Office:** 40B, Princep Street, 3<sup>rd</sup> Floor, Kolkata  
West Bengal- 700072

**Email.id:** [mashaalimpex@gmail.com](mailto:mashaalimpex@gmail.com)

**Website:** [www.mashaalimpex.in](http://www.mashaalimpex.in)

## **BOARD OF DIRECTORS**

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<b>MR. GOPI KRISHNA MURALA</b>	<b>NON-EXECUTIVE NON INDEPENDENT DIRECTOR</b>
<b>MS. MUKKU MAMATHA</b>	<b>NON-EXECUTIVE NON INDEPENDENT DIRECTOR</b>
<b>MR. MOHAMAD ABDUL RAHEEM</b>	<b>NON-EXECUTIVE DIRECTOR</b>
<b>MR. GANGALA SANDEEP KUMAR REDDY</b>	<b>NON-EXECUTIVE DIRECTOR</b>

## **KEY MANAGERIAL PERSONNELS (KMPS)**

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<b>MR. VENKATA RATNA BABU DIVYAKOLU</b>	<b>CHIEF FINANCIAL OFFICER</b>
<b>MS. SHINKEE GOYAL</b>	<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>

## **AUDITORS**

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<b>M/s PREM KUMAR BHOTIKA CHARTERED ACCOUNTANT</b>	<b>STATUTORY AUDITORS</b>
<b>M/S GAURAV KAPOOR PRACTICING COMPANY SECRETARIES</b>	<b>SECRETARIAL AUDITORS</b>
<b>M/S SADH &amp; ASSOCIATES</b>	<b>INTERNAL AUDITORS</b>

## **REGISTRAR & SHARE TRANSFER AGENT**

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**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

## **BANKERS**

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**HDFC BANK LIMITED**

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## Directors' Report

To the Members,

We are pleased to present the 31<sup>st</sup> Annual Report on the business and operations for the year ended March 31, 2016, of Mashaal Impex Limited ("Company") along with the audited standalone financial statements for the year ended March 31, 2016.

### **BACKGROUND**

Mashaal Impex Limited ("the Company") was originally incorporated on June 13, 1985 under the Companies Act 2013 with the Registrar of Companies, NCT of Delhi & Haryana. The Registered Office of the Company was shifted from the State of Delhi to the State of West Bengal in the year 2002. Equity Shares of the Company are listed on Metropolitan Stock Exchange of India Limited (MSEI) (formerly known as MCX Stock Exchange Limited) & Delhi Stock Exchange Limited (DSE) [DSE was derecognized by SEBI w.e.f November 19, 2015]

### **FINANCIAL SUMMARY/HIGH LIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE)**

The highlights of financial results of your Company for the Financial Year 2015-16 and 2014-15 are summarised below:

Particulars	(Amount in Rs.)	
	2015-16	2014-15
Total revenue	31,94,598	14,18,000
Total expenses	30,37,733	14,07,498.71
Profit before tax	1,56,865	10,501
Tax expense	48,473	3,244.90
Profit after tax	108,392	7,256
Earnings per share	0.44	0.03

### **STATE OF COMPANY'S AFFAIRS/OPERATIONS & COMPANY'S PERFORMANCE**

The Company engaged in Trading of Goods. There has been no change in the Business of the company, during the year under review.

For the financial year ended March 31, 2016, your Company earned Profit before Tax of Rs. 156,865 as against Rs. 10,501 the previous financial year and the Profit after Tax of Rs. 108,392 as against Rs. 7,256 in the previous financial year. The Earning per share during the year from Rs. 0.44 against Rs. 0.03 the previous financial year.

### **TRANSFER TO RESERVES**

During the year under review, your Company has not transferred any amount to the General Reserve.

## **DIVIDEND**

In view of need to conserve the resources of the company for the future growth, your Company's Directors do not recommend any dividend to the shareholders of the Company for the Financial Year 2015-16.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

In the opinion of the Board, there has been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

## **SHARE CAPITAL**

The paid up equity share capital as on 31<sup>st</sup> March 2016 was Rs. 24,90,000. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

## **RISK MANAGEMENT POLICY**

Risk Management Policy identifies, communicate and manage risks across the organization. The policy also ensures that responsibilities have been appropriately delegated for risk management. Key Risk and mitigation measures are provided in the Management Discussion and Analysis annexed to the Annual Report.

## **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has in place adequate internal financial controls across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## **VIGIL MECHANISM**

The Company has framed a Vigil Mechanism in compliance with the provisions of Section 177 of the Companies Act, 2013 read with the rules made there under in order to provide a framework for responsible and secure vigil mechanism. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct.

## **HUMAN RESOURCES**

The Company seeks to nurture a mutually beneficial relationship with its employees. This relationship is characterized by the investment which the Company makes in its employees by providing challenging roles and assignments opportunities for personal growth, relevant and timely performance support, training and an enabling environment. The Company seeks to create a workplace which combines achievement orientation with care for employees. The Company lists 'people' as one of its stated core values.

Your Company takes the pride in the Commitment, Competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR Policies to the growing requirements of the business.

## **COMPLIANCE**

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Securities and Exchange Board of India (SEBI) etc.

The Company has generally complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Listing Agreement executed with the Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

## **DEPOSITS**

During the year under review, the Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and rules made thereunder. There is no unclaimed or unpaid deposit lying with the Company.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

There had been some changes in the Director and appointments of KMP were made to comply with the provision of the Companies Act, 2013. The said changes are as follows.

<b>S.No</b>	<b>Name of Director</b>	<b>Designation</b>	<b>Appointment/Resignation</b>	<b>Date of Change</b>
1	Ms. Mukku Mamatha	Additional Director	Appointment	12.02.2016
2.	Mr. Panduranga Rao Arepu	Additional Director	Appointment	12.02.2016
3.	Mr. Avinash Chandra Gupta	Director	Resignation	12.02.2016
4.	Ms. Usha Devi Gupta	Director	Resignation	12.02.2016

## **KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of section 203 of the Act:

<b>S.No</b>	<b>Name of KMP</b>	<b>Designation</b>	<b>Appointment/ Resignation</b>	<b>Date of Change</b>
1.	Mr. Shankara Rao Arepu	Chief Executive officer	Appointment	21.03.2016
2.	Mr. Venkata Ratna Babu Divyakolu	Chief Financial Officer	Appointment	21.03.2016
3.	Ms. Shinkee Goyal	Company Secretary & Compliance officer	Appointment	21.03.2016

## **EVALUATION OF DIRECTORS, BOARD AND COMMITTEES**

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the evaluation system approved by the Board.

The performance of the Board will be evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, board meetings and effectiveness of board processes, information and functioning, etc. The performance of the committees will be evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the compliance with the terms of reference of the Committees, composition of committees, functions and duties, committee meetings & procedures, etc.

The Board and the Nomination and Remuneration Committee reviews the performance of the individual director on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings, attendance, independent judgment etc. In addition, the Chairman will also be evaluated on the basis of criteria such as leadership, managing relationship, conducting board meetings etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman will be evaluated.

## **COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

In accordance with the provisions of Section 178 of the Act, the Board of Directors has adopted a Policy on Board Diversity and Director Attributes and the Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with

trust. The Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criterion of independence as mentioned in Section 149(6) of the Companies Act, 2013.

#### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was discussed.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, the Company does not fall under the purview of the provisions of Section 186 of the Companies Act, 2013.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made there under and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 is not applicable.

#### **MEETINGS OF THE BAORD**

The agenda and Notice for the Meetings is prepared and circulated in advance to the Directors. The Board of Directors of the Company met Six (6) times during the financial year 2015-16 on 30.05.2015, 12.08.2015, 01.09.2015, 13.11.2015, 12.02.2016, and 21.03.2016. Details of attendance of board meetings by directors are as follows:

Name of the Director	Nos. of meetings attended
Mr. Vijay Kumar Gupta	6



Mr. Avinash Chandra Gupta*	4
Ms. Usha Devi Gupta*	4
Mr. Pullarao Kalyanam	6
Mr. Gopi Krishna Murala	6
Ms. Mukku Mamatha#	1
Mr. Panduranga Rao Arepu#	1

# Appointed w.e.f February 12, 2016.

\* Resigned w.e.f February 12, 2016.

The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013.

#### **COMMITTEES OF THE BOARD:**

#### **AUDIT COMMITTEE:**

The Audit Committee comprises of three directors namely, Mr.Pullarao Kalyanam-Chairman, Mr.Gopi Krishna Murala, Mr. Vijay Kumar Gupta.

The Audit Committee met Five (5) times during the financial year 2015-16 on 30.05.2015, 12.08.2015, 01.09.2015, 13.11.2015 & 12.02.2016. Details of attendance of members of the committee are as follows:

Name of the Member	Nos. of meetings attended
Mr. Pullarao Kalyanam ( Chairman)	5
Mr. Gopi Krishna Murala (Member)	5
Mr. Vijay Kumar Gupta (Member)	5

During the year under review, the Board accepted all the recommendations made by the Audit Committee of the Board.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee met three (2) times during the financial year 2015-16 on 12.02.2016, and 21.03.2016. Details of attendance of members of the committee are as follows:

Name of the Member	Nos. of meetings attended
Mr. Pullarao Kalyanam ( chairman)	2
Mr. Gopi Krishna Murala ( Member)	2
Mr. Vijay Kumar Gupta (Member)	2

**STAKEHOLDER RELATIONSHIP COMMITTEE**

The Stakeholder Relationship Committee met (2) times during the financial year 2015-16 on 12.02.2016, and 21.03.2016. Details of attendance of members of the committee are as follows:

Name of the Member	Nos. of meetings attended
Mr. Pullarao Kalyanam	2
Mr. Gopi Krishna Murala	2
Mr. Vijay Kumar Gupta	2

**AUDITORS**

**STATUTORY AUDITORS**

During the year under review, M/s Prem Kumar Bhotika, Chartered Accountants, had tendered their resignation from the position of Statutory Auditors due to other pre-occupation. Thereafter, the Board proposed the name of M/s Sushil Lal & Associates., Chartered Accountants, New Delhi, to act as Statutory Auditors of the Company to fill casual vacancy caused by the resignation of M/s.Prem Kumar Bhotika, Chartered Accountants and to conduct the Statutory Audit for the financial year ended March 31, 2017.

M/s.Sushil Lal & Associates., Chartered Accountants has conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. The Board recommends their appointment.

## **STATUTORY AUDITORS' REPORT**

The Auditors Report has been annexed with this report; Auditors' observations are self explanatory, which do not call for any further clarifications.

## **SECRETARIAL AUDITORS**

Mr. Gaurav Kapoor, Practicing Company Secretary (Certificate of Practice No.15150) had appointed by the Board of Directors of the Company in their meeting held on February 12, 2016 to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2015-16. The Secretarial Audit Report is annexed to this report as Annexure-II.

The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the secretarial auditor.

## **INTERNAL AUDITORS**

Pursuant to the provision of Section 138 of the Companies Act, 2013 has mandated the appointment of Internal Auditor in the Company. Accordingly, the Board had appointed M/s Sadh & Associates, Chartered Accountants, (Firm Registration No. 025032N) as the Internal Auditors of the Company for the financial year 2015-16.

## **EXTRACT OF ANNUAL RETURN**

The extract of the annual return in the Form MGT 9 is annexed to this report as Annexure-I.

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

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption, are not applicable to the Company. However, the Company makes all efforts towards conservation of energy, protection of environment and ensuring safety. During the year under review, the Company had no earnings and expenditure in foreign exchange.

## **DIRECTORS RESPONSIBILITY STATEMENT**

In terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your directors hereby confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 and loss of the Company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
  - (d) the directors have prepared the annual accounts for the financial year ended March 31, 2016, on a going concern basis;
  - (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;’ and
  - (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **CORPORATE GOVERNANCE**

Since, the paid- up capital of the Company is less than Rs. 10 Crores and Net worth is less than Rs. 25 Crores, the provisions of the Corporate Governance as stipulated under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, your Company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company’s endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

The management of Company believes that it will further enhance the level of Corporate Governance in the Company.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the rules made there under, the criteria for companying with the CSR activity does not applicable to the Company throughout the year.

### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS**

There has been no significant and material order passed by any regulator, courts or tribunals impacting the going concern status and operations of the Company in future.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report has been appended separately, which forms part of this report and the Annual Report.

### **PARTICULARS OF EMPLOYEES**

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:** Not Applicable, as no remuneration was paid to any Director during the financial year under review.
- ii) **the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:** Not Applicable, Since all current KMPs and Directors to whom remuneration has been paid was appointed during F.Y 2015-16 and there is no comparable date for previous financial year i.e F.Y 2014-15.
- iii) **The percentage increase in the median remuneration of employees in the financial year:** Not Applicable
- iv) **The number of permanent employees on the rolls of company:** 3
- v) **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:** There was no remuneration paid to employees. Hence, the comparison between the two cannot be made.
- vi) **the key parameters for any variable component of remuneration availed by the directors:** Nil
- vii) **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014**

There is no directors/employees in the Company for which disclosure have to be made under the provisions of Rule 5 (2) & (3) of the Companies (Appointment and Remuneration or Managerial Personnel) Rules, 2014.

**A. Details of Top ten employees in terms of remuneration drawn:**

Name & Designation	Age (in Years)	Remuneration Received	Nature of Employment	Qualification & Experience	Date of commencement of Employment	Last Employment	% of Equity Share held	Whether related to Director or Manager
Mr. Shankara Rao Arepu (Chief Executive Officer)*	53 years	11,000	Whole time	Graduate ( B.Com)	21.03.2016	-	Nil	No
Mr. Venkata Ratna Babu Divyakolu (Chief Financial Officer)	44 Years	9,167	Whole time	Graduate ( B.Com)	21.03.2016	-	Nil	No
Ms. Shinkee Goyal (Company Secretary & Compliance officer)	24 Years	7,334	Whole time	Company secretary	21.03.2016	-	Nil	No

\*Mr. Shankara Rao Arepu has resigned w.e.f May 27, 2016.

**B. Details of other employees under aforesaid Rules: Nil.**

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)**

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

**By Order of Board  
Mashaal Impex Limited**

	<b>Sd/-</b>	<b>Sd/-</b>
<b>Date: September 3, 2016</b>	<b>Gopi Krishna Murala</b>	<b>Mukku Mamatha</b>
<b>Place: Kolkata</b>	<b>Director</b>	<b>Director</b>
	<b>DIN:02246445</b>	<b>DIN: 07450063</b>

**Annexure-1**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on March 31, 2016**

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

**I REGISTRATION & OTHER DETAILS:**

I	CIN	L51109WB2002PLC094647
II	Registration Date	14/05/2002
III	Name of the Company	MASHAAL IMPEX LIMITED
IV	Category/Sub-category of the Company	Company limited by shares
V	Address of the Registered office and contact details	40B, Princep Street 3 <sup>rd</sup> floor, Kolkata West Bengal- 700072 Phone: +91-9582462455 Contact Person: Ms. Shinkee Goyal Email: mashaalimpex@gmail.com
VI	Whether listed Company	Yes
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any:-	M/s Skyline Financial Services Private Limited D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110 020 Phone: +91-11-26812681-88 Contact Person: Mr. VirenderRana Email: viren@skylinerta.com

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

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

S. No	Name and Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Trading of Fabrics	6096	91.4%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
Not Applicable					



#### IV SHAREHOLDING PATTERN (Equity Share capital Break up as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year#
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares#	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	20700	20700	8.31%	-	20700	20700	8.31%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	-	20700	20700	8.31%	-	20700	20700	8.31%	0.00%
(2) <b>Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	-	20700	20700	8.31%	-	20700	20700	8.31%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%

d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FII's	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	135300	135300	54.34%	-	-	-	0.00%	(54.34%)
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	93000	93000	37.35%	-	2,16,300	2,16,300	86.87%	49.52%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	12,000	12,000	4.82%	4.82%
c) Others (HUF)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies				0.00%				0.00%	0.00%

- D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	228300	228300	91.69%	-	228300	228300	91.69%	0.00%
<b>Total Public (B)</b>	-	228300	228300	91.69%	-	228300	228300	91.69%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	-	249000	249000	100.00%	-	249000	249000	100.00%	0.00%

**(ii) SHARE HOLDING OF PROMOTERS**

S.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	Orkay Engineering Limited	20,700	8.31%	-	20,700	8.31%	-	-
	<b>Total</b>	20,700	<b>8.31%</b>	-	20,700	8.31%	-	-

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (please specify if there is no change)**

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	20,700	8.31%	20,700	8.31%
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat Equity etc.	(No Change)	(No Change)	(No Change)	(No Change)
	At the end of the Year	20,700	8.31%	20,700	8.31%

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)**

SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>SRIVATSAVA POLISETTY</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	12,000	4.82%	12,000	4.82%
	At the end of the year	12,000	4.82%	12,000	4.82%
<b>2</b>	<b>SRINIVASA RAO KAMIPELLY</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	10000	4.02%	10000	4.02%
	At the end of the year	10000	4.02%	10000	4.02%
<b>3</b>	<b>NARASIMHA REDDY PADURI</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	9500	3.82%	9500	3.82%
	At the end of the year	9500	3.82%	9500	3.82%
<b>4</b>	<b>HARMINDER SINGH</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	9300	3.73%	9300	3.73%
	At the end of the year	9300	3.73%	9300	3.73%
<b>5</b>	<b>HANSABEN MOTIBHAI PATEL</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	9000	3.61%	9000	3.61%
	At the end of the year	9000	3.61%	9000	3.61%
<b>6</b>	<b>SRINIVASA RAO KAKANI</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	9000	3.61%	9000	3.61%
	At the end of the year	9000	3.61%	9000	3.61%

<b>7</b>	<b>GORHANLAL DADHICH</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	9000	3.61%	9000	3.61%
	At the end of the year	9000	3.61%	9000	3.61%
<b>8</b>	<b>T. KHADAR BABU</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	9000	3.61%	9000	3.61%
	At the end of the year	9000	3.61%	9000	3.61%
<b>9</b>	<b>NEERA MUNDHRA</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	8000	3.21%	8000	3.21%
	At the end of the year	8000	3.21%	8000	3.21%
<b>10</b>	<b>HARJOT SINGH</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Transfer on February 12, 2016	8000	3.21%	8000	3.21%
	At the end of the year	8000	3.21%	8000	3.21%

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

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year April 01, 2015		Cumulative Shareholding at the end of the year March 31, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/Decrease in Shareholding during the year specifying the reason for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	-	-	-	-
	At the end of the year	NIL	NIL	NIL	NIL

(vi) **INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I) Principal Amount	NIL	8,050,000	NIL	8,050,000
II) Interest due but not paid		-		-
III) Interest accrued but not due		-		-
<b>Total (I+II+III)</b>	<b>NIL</b>	<b>8,050,000</b>	<b>NIL</b>	<b>NIL</b>
Change in Indebtedness during the financial year				-
• Addition		-		8,050,000
• Reduction		8,050,000		
<b>Net Change</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
Indebtedness at the end of the financial year				
I) Principal Amount	NIL	NIL	NIL	NIL
II) Interest due but not paid				
III) Interest accrued but not due				
<b>Total (I+II+III)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

(vii) **Remuneration of Directors and Key Managerial Personnel**

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2	Stock Option	-	-
3	Sweat Equity	-	-

4	Commission - as % of profit - others, specify	-	-
5	Others, please specify	-	-
	<b>Total(A)</b>		-
	Ceiling as per the Act		-

**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors			
	(a) Fee for attending board committee meetings	-	-	
	(b) Commission	-	-	-
	(c ) Others, please specify	-	-	-
	Total (1)			
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings	-	-	
	(b) Commission	-	-	
	(c ) Others, please specify.	-	-	
	Total (2)	-	-	
	Total (B)=(1+2)			
	Total Managerial Remuneration	-	-	
	Overall Ceiling as per the Act.	-	-	

**c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11,000	7,334	9,167	27,501
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify	-	-	-	-

5	Others, please specify	-	-	-	-
		-			
	<b>Total</b>	11,000	7,334	9,167	27,501

**Viii PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment			N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

**By Order of Board  
Mashaal Impex Limited**

Date: September 3, 2016  
Place: Kolkata

Sd/-  
Gopi Krishna Murala  
Director  
DIN:02246445

Sd/-  
Mukku Mamatha  
Director  
DIN: 07450063



**Annexure-II**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2016  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the**  
**Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
**MASHAAL IMPEX LIMITED**  
40B, Princep Street, 3<sup>rd</sup> Floor,  
Kolkata, West Bengal-700072

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MASHAAL IMPEX LIMITED** (hereinafter referred to as the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported 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 March 31, 2016 according to the provisions of -

- i. The Companies Act, 2013 ("Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made under that Act;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI); (Not Applicable during the Audit Period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (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 notified with effect from May 15, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable to the Company during the Audit Period**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 notified on October 28, 2014;- **Not Applicable to the Company during the Audit Period**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable to the Company during the Audit Period**
- (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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - **Not Applicable to the Company during the Audit Period**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- - **Not Applicable to the Company during the Audit Period**

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

- i. Secretarial Standards issued by the Institute of Company Secretaries of India notified with effect from July 1, 2015; and
- ii. The Listing Agreements entered into by the Company with the Stock Exchange(s) i.e. Metropolitan stock exchange India Limited (MSEI) / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from December 01, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except that the members of the Company.*

**I further report that:**

The Board of Directors of the Company duly constituted with the Independent Directors (Executive or Non- Executive 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.

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

I further report that 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.

**For Gaurav Kapoor  
Company Secretaries**

**Sd/-  
(GAURAV KAPOOR)  
Proprietor  
M. No.: A17160  
C.P. No. : 15150**

**Place: Faridabad  
Date: September 03, 2016**

**Note:** This report is to be read with our letter of even date which is annexed as Annexure herewith and forms and integral part of this report.

## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
**MASHAAL IMPEX LIMITED**  
40B, Princep Street, 3<sup>rd</sup> Floor,  
Kolkata, West Bengal-700072

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Gaurav Kapoor**  
**Company Secretaries**

Sd/-  
**(GAURAV KAPOOR)**  
Proprietor  
M. No.: A17160  
C.P. No. : 15150

**Place: Faridabad**  
**Date: September 03, 2016**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **I. INDUSTRY STRUCTURE AND DEVELOPMENT:**

The year witnessed a highly dynamic situation of our country, India must be consistent in regaining its position as a leading emerging market investment destination. This can only be possible if consistency and clarity is in our policies. In anticipation of the election results the equity markets have created an all time high and currency markets are buoyant but investors (private and foreign) are waiting for stability of governance. They will see policy actions before committing long term capital to India. Basically, India is experiencing a difficult economic situation on the growth, asset quality, inflation and fiscal deficit fronts. Growth estimation graph shows bottomward trends but recovery is predicated upon clarity of policy matters and decision making by the Government. Both of the factors are out of the control of private enterprises.

The past year has been a challenging year for our Industry with lots of ups and downs. In spite of the above, the industry has been able to maintain its steady performance during the year under review. The Fabrics/Textile Industry has played a key role in the country's progress over the years and the situation is likely to gain momentum in the times ahead. The Industry continues to hold a dominant position in country's economic structure because of its huge contribution towards employment generation.

Your Company's performance for the year 2015-16 has to be viewed in the context of aforesaid economic and market environment.

### **II. OPPORTUNITIES:**

The sector uses the loans for various business activities ranging from the business of hire Purchase Company and to acquire, to provide on all type hire purchase basis of industrial and official plant, equipment machinery, vehicles, Agriculture, Handicrafts, Trading, Services, Shops, Livestock, and Production to others. As banks are unable to appraise the credit requirements of the micro and small businesses they are unable to extend credit facilities with collateral security. The banking system will not be able to meet this demand and a wide gap exists giving the Company an opportunity to grow in its financing of Small Business/ Industrial Loans.

There is confidence of a revival in global the economic outlook in the coming years though this view is not presently supported by economic fundamentals driven by higher economic growth in the advance economies and constrained by moderate growth in emerging markets.

A 'Make in India' campaign has been veiled by the Prime Minister. The Make in India' scheme also puts in place the systems to address in a timely manner queries of potential investors. At present, the Government of India allows 100% Foreign Direct Investment (FDI) under the automatic route in the textile sector, subject to all applicable regulations and laws, which effectively backs the Make in India program for the textile and garment industry. Under the 'Make in India' initiative, investment opportunities for foreign companies and entrepreneurs are available across the entire value chain of synthetics, value-added and specialty fabrics,

fabric processing set-ups for all kinds of natural and synthetic textiles, technical textiles, garments, and retail brands.

Changes in China's Textile Policy severely affected the country's export to that country. In spite of the above, we are of the firm opinion that the future of the Textile Industry is quite promising. We hope that with the recoveries in economies of U.S.A and European Union will propel the growth of the Textile Industry. Ever growing retailing sector and increased purchasing power of both urban and rural people are still present in the economy and will lead to the growth of the Industry. The shifting of orders from China to India, due to various favourable factors will also help the Industry to increase its global share.

### **III. THREATS:**

Major threat faced by Mashaal Impex Limited would be circumstances of not being able to raise funds for its future business operations.

### **IV. SEGMENT-WISE PERFORMANCE:**

The substantial part of the revenue of the Company is from one segment, currently engaged in a two segment i.e. Trading in Fabrics. Details of performance have been provided in the Directors' Report.

### **V. OUTLOOK:**

Mashaal Impex Limited expects to improve its performance in financial year 2016- 17 and hopes to grow at rate faster than the growth of bank credit. The approach would be to continue with the growth momentum while balancing risk.

### **VI. RISK MANAGEMENT:**

Risk Management is an integral part of our Company's business strategy. A dedicated team is a part of the management processes governed by the senior management team. This team reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The team nurtures a healthy and independent risk management function to avoid any kind of misappropriations in the Company. As part of the Risk Management framework, the management of Credit Risk, Market Risk, Operational Risk and Fraud Risk are placed under the Head - Risk. The Credit Risk management structure includes separate credit policies and procedures for various businesses. The risk policies define prudential limits, portfolio criteria, exceptional approval metrics, etc. and cover risk assessment for new product offerings. Concentration Risk is managed by analyzing counter-party, industry sector, geographical region, single borrower and borrower group. Retail Finance credit approval is based on product / programs and monitoring is primarily done at the portfolio level across products and programs. Causal analysis is carried out and corrective actions are implemented on key risk indicators. A Senior Management oversight committee meets periodically to review the operational risk profile of the organization. Fraud risks are mitigated through a fraud risk management team.

## VII. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal control system is commensurate with the size, nature and operations of the Company.

## VIII. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED::

We recognize people as our most valuable asset and we have built an open, transparent and meritocratic culture to nurture this asset. Talent Management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our Organization. Attrition has been managed well and has been below industry benchmarks. The Company has kept a sharp focus on Employee Engagement. We follow 360 degree feedback to ensure the satisfaction of our people. We have a strong system of grievance handling too. No concern of our people goes without addressing. We strive for excellence by thriving on Mashaal Impex Limited's positivity. As on March 31, 2016, total number of employee on the pay roll of the Company is 2.

By Order of Board  
For Mashaal Impex Limited

Sd/-

Gopi Krishna Murala  
Director  
DIN:02246445

Sd/-

Mukku Mamatha  
Director  
DIN: 07450063

Date: September 3, 2016  
Place: Kolkata

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF MASHAAL IMPEX LIMITED**

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

We have audited the accompanying financial statements of **Mashaal Impex Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date 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 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 also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143 (11) of the Act.

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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its Profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M/s Prem Kumar Bhotika**  
**(Chartered Accountants)**

**Sd/-**  
**(Prem Kumar Bhotika)**  
**Proprietor**  
**Membership No.: 051833**

**Place:** Kolkata  
**Date:** May 27, 2016

**Annexure A to Independent Auditors' Report for the year ended March 31, 2016**

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

- i. The Company did not possess any fixed assets during the year. Therefore, provisions of clause i (a) to (c) of paragraph 3 of the Order are not applicable to the Company.
- ii. During the year, the Company did not possess any inventory. Therefore, provisions of provisions of clause ii of paragraph 3 of the Order of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the provisions of clause iii (a) to (c) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
- iv. According to the information and explanations given to us, the Company has not given any loan to Directors or persons connected with them as per the provisions mentioned in section 185 of the companies Act, 2013.  
Company has made investments in other bodies corporate and complied the provisions of section of 186 of the Companies Act, 2013.

- v. In respect of public deposit:

According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there-under. Therefore the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

- vi. In respect of cost records:

Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable to the Company.

- vii. In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, income-tax, Sales-Tax, Wealth Tax, Service tax, duty of Custom, duty of Excise, value added tax, cess and Entertainment Tax etc. There are no undisputed dues payable, outstanding as on March 31, 2016 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.
- viii. The Company has not taken any loans from financial institutions, Banks, Government or through debentures during the audit period.
- ix. The company has not raised money by way of initial Public offer or further public offer (including debt instruments) and term loans during the year under audit.
- x. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
- xii. As explained, the company is not a Nidhi company. Therefore the provisions of Clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Act, to the extent applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

- xv. According to the information and explanations given to us, No non cash transactions with Directors or persons connected with him have been noticed or reported during the year as per the provisions of Section 192 of the Act.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **M/s Prem Kumar Bhotika**  
**(Chartered Accountants)**

**Sd/-**  
**(Prem Kumar Bhotika)**  
**Proprietor**  
**Membership No.: 051833**

**Place:** Kolkata  
**Date:** May 27, 2016

## **Annexure B to Independent Auditors' Report for the year ended March 31, 2016**

(Referred to in Paragraph 2(f) under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Mashaal Impex Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For M/s Prem Kumar Bhotika  
(Chartered Accountants)**

**Sd/-  
(Prem Kumar Bhotika)  
Proprietor  
Membership No.: 051833**

**Place: Kolkata  
Date: May 27, 2016**



**MASHAAL IMPEX LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2016**

Amount in Rs.

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	2,490,000	2,490,000
Reserves and surplus	3	163,307	54,915
		<b>2,653,307</b>	<b>2,544,915</b>
<b>Current liabilities</b>			
Short Term Borrowings	4	-	8,050,000
Trade Payables	5	-	3,759,400
Other current liabilities	6	32,501	6,500
Short Term Provisions	7	56,308	7,835
		<b>88,809</b>	<b>11,823,735</b>
<b>Total</b>		<b>2,742,116</b>	<b>14,368,650</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Non-current investments	8	2,500,000	4,412,020
		<b>2,500,000</b>	<b>4,412,020</b>
<b>Current assets</b>			
Trade Receivables	9	-	9,618,000
Cash and cash equivalents	10	240,120	336,634
Short-term loans and advances	11	1,996	1,996
		<b>242,116</b>	<b>9,956,630</b>
<b>Total</b>		<b>2,742,116</b>	<b>14,368,650</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes to the Accounts</b>	2 to 27		

**Auditor's Report**

"As per our separate report of even date"

**For M/s Prem Kumar Bhotika**  
**(Chartered Accountants)**

For and on behalf of Board of Directors of  
**Mashaal Impex Limited**

**Sd/-**  
**(Prem Kumar Bhotika)**

**Sd/-**  
**Gopi Krishna Murala**

**Sd/-**  
**Mukku Mamatha**

**Sd/-**  
**Shankara Rao**

**Proprietor**

(Director)

(Director)

**Arepu**  
(Chief Executive  
Officer)

Membership No.: 051833

DIN: 02246445

DIN: 07450063

Signed at Kolkata on May 27, 2016

**Sd/-**  
**Venkata Ratna Babu**  
**Divyakolu**  
(Chief Financial Officer)

**Sd/-**  
**Shinkee Goyal**  
(Company Secretary)  
M. No.- ACS-41872

**MASHAAL IMPEX LIMITED**

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

*Amount in Rs.*

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Incomes</b>			
Revenue from operations	12	2,921,500	1,418,000
Other income	13	273,098	-
<b>Total Revenue</b>		<b>3,194,598</b>	<b>1,418,000</b>
<b>Expenses</b>			
Purchase of Stock- in- Trade	14	2,860,000	1,359,400
Employee benefits expense	15	117,501	-
Other expenses	16	60,232	48,099
<b>Total Expenses</b>		<b>3,037,733</b>	<b>1,407,499</b>
<b>Profit before tax</b>		<b>156,865</b>	<b>10,501</b>
Tax expense:			
Current tax		48,473	3,245
Deferred tax		-	-
<b>Total Tax expenses</b>		<b>48,473</b>	<b>3,245</b>
<b>Profit (Loss) for the year</b>		<b>108,392</b>	<b>7,256</b>
<b>Earnings per equity share:</b>			
Basic	17	0.44	0.03
Diluted	17	0.44	0.03
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Notes to the Accounts</b>	<b>2 to 27</b>		

**Auditor's Report**

*"As per our separate report of even date"*

**For M/s Prem Kumar Bhotika  
(Chartered Accountants)**

For and on behalf of Board of Directors of  
**Mashaal Impex Limited**

**Sd/-  
(Prem Kumar Bhotika)**

**Sd/-  
Gopi Krishna Murala**

**Sd/-  
Mukku Mamatha**

**Sd/-  
Shankara Rao  
Arepu**

**Proprietor**

(Director)

(Director)

(Chief Executive  
Officer)

Membership No.: 051833

DIN: 02246445

DIN: 07450063

Signed at Kolkata on May 27, 2016

**Sd/-  
Venkata Ratna Babu  
Divyakolu**  
(Chief Financial Officer)

**Sd/-  
Shinkee Goyal**  
(Company Secretary)  
M. No.- ACS-41872

MASHAAL IMPEX LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Amount in Rs.

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>Cash flows from operating activities</b>		
Net profit before tax and extraordinary items	156,865	10,501
<b>Adjustments for:</b>		
-Depreciation	-	-
('Profit)/Loss on Sale of Investments	(273,098)	-
<b>Operating Profit/(Loss) before working capital changes</b>	<b>(116,233)</b>	<b>10,501</b>
(Increase)/Decrease in trade receivables	9,618,000	(8,718,000)
(Increase)/Decrease in short term loans & advances	-	1,300,000
Increase/(Decrease) In Other Current Liabilities	26,001	2,500
Increase/(Decrease) In Trade Payables	(3,759,400)	919,400
Increase/(Decrease) in short Term provisions(except income tax provisions)	-	-
Income Taxes Paid	-	-
<b>Net cash generated from/ (used in) operating activities (A)</b>	<b>5,768,368</b>	<b>(6,485,599)</b>
<b>Cash flows from investment activities</b>		
-Purchase of fixed assets	-	-
-Sale/(Purchase) of Investments (net)	2,185,118	4,587,980
<b>Net cash generated from/ (used in) investing activities (B)</b>	<b>2,185,118</b>	<b>4,587,980</b>
<b>Cash flows from financing activities</b>		
-Loan Repaid	(8,050,000)	(9,000,000)
-Loans taken	-	2,000,000
-Issue of Share Capital	-	-
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(8,050,000)</b>	<b>(7,000,000)</b>
<b>Net increase/(decrease) in cash/cash equivalents (A+B+C)</b>	<b>(96,514)</b>	<b>(8,897,619)</b>
<b>Cash and Cash Equivalents at beginning of the year</b>	<b>336,634</b>	<b>9,234,253</b>
<b>Cash and Cash Equivalents at end of the year</b>	<b>240,120</b>	<b>336,634</b>

Notes

1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.

2) Cash and Cash Equivalents at the end of the year consist of Cash, Cheques in Hand, Fixed Deposits and Balances with Banks.

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
Cash in Hand		228,272	159,658
Balances with Banks		11,848	176,976
		<b>240,120</b>	<b>336,634</b>

**Significant Accounting Policies**  
**Notes to the Accounts**

**1**  
**2 to 27**

**Auditor's Report**

"As per our separate report of even date"

**For M/s Prem Kumar Bhotika**  
**(Chartered Accountants)**

For and on behalf of Board of Directors of  
**Mashaal Impex Limited**

**Sd/-**  
**(Prem Kumar Bhotika)**

**sd/-**  
**Gopi Krishna Murala**

**sd/-**  
**Mukku Mamatha**

**sd/-**  
**Shankara Rao**  
**Arepu**

**Proprietor**

(Director)

(Director)

(Chief Executive  
Officer)

Membership No.: 051833

DIN: 02246445

DIN: 07450063

Signed at Kolkata on May 27, 2016

**sd/-**  
**Venkata Ratna Babu**  
(Chief Financial Officer)

**sd/-**  
**Shinkee Goyal**  
(Company Secretary)  
M. No.- ACS-41872

**MASHAAL IMPEX LIMITED**

**Significant accounting policies and notes to the accounts for the year ended on March 31, 2016**

**Corporate Information**

Mashaal Impex Limited ["Mashaal"] was incorporated on June 13, 1985 as a public limited company under the provisions of Companies Act, 1956. Mashaal is primarily engaged in the business of Trading of fabrics and other allied activities.

**1 Significant accounting policies**

**a Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**b Use of estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent assets & contingent liabilities as of the date of the financial statements and the results of operations during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

**c Fixed Assets**

**Tangible Assets**

Fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation costs, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage.

**Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

**d Depreciation /Amortization**

Depreciation on tangible fixed assets is charged on Straight Line Method over their estimated useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year. Intangible assets are amortized over the useful life of the underlying assets. Computer software being intangible assets are amortized based on estimated useful life of 10 years.

**e Lease**

**Operating lease**

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

**f Impairment of tangible and intangible assets**

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

Recoverable amount is higher of an asset's net selling price, and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

**MASHAAL IMPEX LIMITED**

**Significant accounting policies and notes to the accounts for the year ended on March 31, 2016**

**g Investments**

Trade investments are the investments made to enhance the company's business interests. Investments are either classified as long term or current investments, based on management's intention at the time of purchase. Long-term investments are stated at cost and provision is made to recognise any decline, other than temporary, determined separately for each investment. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

**h Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

**Sale of Services** : Revenue from services is recognised under the proportionate completion method provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration. The amount recognised of revenue is exclusive of service tax and is net of returns.

**Interest** : Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

**Dividend** : Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

**i Foreign Currency Transactions**

**Initial Recognition** : Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**: Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

**Exchange Differences**: Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

**j Tax Expenses**

Income tax expense comprises current tax as per Income Tax Act, 1961 and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of earning sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**MASHAAL IMPEX LIMITED**

**Significant accounting policies and notes to the accounts for the year ended on March 31, 2016**

**k Employee Benefits**

The Company's obligations towards various employee benefits have been recognized as follows:

***Short-term employee benefits***

All employee benefits payable within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in which the employee renders the related service.

**l Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the equity shares outstanding during the period.

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

**m Provisions**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**n Contingent liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**MASHAAL IMPEX LIMITED**  
**Significant accounting policies and notes to the accounts for the year ended on March 31, 2016**

**2 Share Capital**

Particulars	Amount in Rs.	
	As at March 31, 2016	As at March 31, 2015
<b>Authorized Capital</b> 2,50,000(Previous year 2,50,000) Equity Shares of Rs. 10/- each fully paid up	2,500,000	2,500,000
<b>Issued, Subscribed and Paid up Capital:</b> 2,49,000(Previous year 2,49,000) Equity Shares of Rs. 10/- each fully paid up	2,490,000	2,490,000
<b>Total</b>	<b>2,490,000</b>	<b>2,490,000</b>

- a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as given below

Particulars	As at March 31, 2016	As at March 31, 2015
Shares outstanding at the beginning of the year	249,000	249,000
Shares Issued during the year (+)	-	-
Shares bought back during the year (-)	-	-
Shares outstanding at the end of the year	249,000	249,000

- b) *Terms/rights attached to equity shares :*

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

The equity shareholders of the company are entitled to get the dividend as and when proposed by the Board of Directors and approved by shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held is as given below:

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% Holding	No. of Shares	% Holding
Lords Engineering Limited	-	-	23,300	9.63%
Orkay Engineering Limited	20,700	8.31%	20,700	8.31%
Ganpati Merchandise Private Limited	-	-	20,100	8.07%

- d) The Company has not allotted any fully paid up equity shares without payment being received in cash and by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

**3 Reserves and Surplus**

Particulars	Amount in Rs.	
	As at March 31, 2016	As at March 31, 2015
<b>Securities Premium Account</b>		
Opening Balance	-	-
Add : Securities premium credited on Share issue	-	-
Closing Balance	-	-
<b>Surplus in Profit &amp; Loss Account</b>		
Opening balance	54,915	47,659
Add: Net Profit/(Net Loss) for the current year	108,392	7,256
Closing Balance	163,307	54,915
<b>Total</b>	<b>163,307</b>	<b>54,915</b>

**MASHAAL IMPEX LIMITED**  
Significant accounting policies and notes to the accounts for the year ended on March 31, 2016

**4 Short Term Borrowings**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Unsecured- Non related party	-	8,050,000
<b>Total</b>	<b>-</b>	<b>8,050,000</b>

**5 Trade Payables**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Trade Payables	-	3,759,400
<b>Total</b>	<b>-</b>	<b>3,759,400</b>

**6 Other Current Liabilities**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Payable to Employees	27,501	-
Expenses Payable	5,000	6,500
Statutory Dues payable	-	-
<b>Total</b>	<b>32,501</b>	<b>6,500</b>

**7 Short Term Provisions**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Provision for Income Tax (Net of Tax Paid)	56,308	7,835
<b>Total</b>	<b>56,308</b>	<b>7,835</b>



**MASHAAL IMPEX LIMITED**

**Significant accounting policies and notes to the accounts for the year ended on March 31, 2016**

**8 Non Current Investments**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Other Investments</b>		
Investment in Equity Shares	2,500,000	4,412,020
Less: Aggregate provision for diminution in value of investments	-	-
<b>Total</b>	<b>2,500,000</b>	<b>4,412,020</b>
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	2,500,000	4,412,020
Aggregate provision for diminution in value of investments	-	-

**9 Trade Receivables**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Unsecured- considered good Sundry Debtors	-	9,618,000
<b>Total</b>	<b>-</b>	<b>9,618,000</b>

**10 Cash and Cash Equivalents**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Balances with banks*	11,848	176,976
Cash in hand	228,272	159,658
<b>Total</b>	<b>240,120</b>	<b>336,634</b>

\* Balances with banks include:

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Current Accounts	11,848	176,976
<b>Total</b>	<b>11,848</b>	<b>176,976</b>

**11 Short Term Loans & Advances**

*Amount in Rs.*

<b>Particulars</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
Advance Income Tax	1,996	1,996
<b>Total</b>	<b>1,996</b>	<b>1,996</b>

**MASHAAL IMPEX LIMITED**

Significant accounting policies and notes to the accounts for the year ended on March 31, 2016

**12 Revenue from operations**

Particulars	Amount in Rs.	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Operating Income (Sale of Fabrics)	2,921,500	1,418,000
<b>Total</b>	<b>2,921,500</b>	<b>1,418,000</b>

**13 Other Income**

Particulars	Amount in Rs.	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit on Sale of Shares	273,098	-
<b>Total</b>	<b>273,098</b>	<b>-</b>

**14 Purchase of Stock- in- Trade**

Particulars	Amount in Rs.	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Purchase of Stock- in- Trade	2,860,000	1,359,400
<b>Total</b>	<b>2,860,000</b>	<b>1,359,400</b>

**15 Employee Benefits Expense**

Particulars	Amount in Rs.	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Salary	117,501	-
<b>Total</b>	<b>117,501</b>	<b>-</b>

**16 Other Expenses**

Particulars	Amount in Rs.	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Audit Fees	5,000	2,500
Communication Expenses	13,307	-
Bank Charges	2,545	1,929
Legal & Professional Charges	-	5,000
General Expenses	15,284	3,550
Postage & Courier	11,437	1,846
Printing and Stationary	12,659	802
ROC Expenses	-	32,472
<b>Total</b>	<b>60,232</b>	<b>48,099</b>

**17 Earnings Per Share**

Particulars	Reference	For the year ended March 31, 2016	For the year ended March 31, 2015
A Net profit/ (Loss) attributable to equity	A	108,392	7,256
B Weighted Average Number of Equity Shares outstanding during the period	B	249,000	249,000
C Weighted Average (Diluted) Number of Equity Shares outstanding during the period	C	249,000	249,000
D Face Value per Share (Rs.)	D	10	10
E Basic Earnings/(Loss) per equity shares (Rs.)	A/B	0.44	0.03
F Diluted Earnings/ (loss) per equity shares (Rs.)	A/C	0.44	0.03

**18 Payment to Auditors**

Particulars	Amount in Rs.	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>As Auditors'</b>		
- Audit Fees	5,000	2,500
<b>In Other Capacity</b>		
- Other Matters	-	-
<b>Total</b>	<b>5,000</b>	<b>2,500</b>

**MASHAAL IMPEX LIMITED**  
Significant accounting policies and notes to the accounts for the year ended on March 31, 2016

**19 Related Party Disclosures**

**a) Key Managerial Personnel**

Name of Related Party	Relationship
Mr. Shankara Rao Arepu (Appointed w.e.f. March 21, 2016)	Chief Executive Officer
Mr. Venkata Ratna Babu Divyakolu (Appointed w.e.f. March 21, 2016)	Chief Financial Officer
Ms. Shinkee Goyal (Appointed w.e.f. March 21, 2016)	Company Secretary

**b) Other Directors with whom transactions has entered during the year**

-

**c) Transactions with Related Parties**

Particulars	For the year ended March 31, 2016 (Rs.)	For the year ended March 31, 2015 (Rs.)
<b>Remuneration to KMPs</b>		
Mr. Shankara Rao Arepu	11,000	-
Mr. Venkata Ratna Babu Divyakolu	9,167	-
Ms. Shinkee Goyal	7,334	-
<b>Balance Payable</b>		
Mr. Shankara Rao Arepu	11,000	-
Mr. Venkata Ratna Babu Divyakolu	9,167	-
Ms. Shinkee Goyal	7,334	-

20 The Company does not have any contingent liability or commitments as on 31.03.2016.

21 Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006: During the year company has not paid any interest in terms of the section 18 of the above mentioned Act. No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

22 The Company is operating in single line of business and all the other activities revolve around the main business and entire business is conducted within India, hence in accordance with AS-17- "Segment Reporting" there are no separate reportable segments either on the basis of business segmentation or geographical segmentation.

23 The accounts of certain Trade Receivables, Short Term Loans and Advances, Current Liabilities and are subject to confirmation / reconciliation and adjustment, if any. The Management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

24 The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ("the schedule") issued by Ministry of Corporate Affairs.

25 Figures for previous year have been regrouped and/or reclassified wherever considered necessary, to conform to current year's classification.

26 All Figures are in Indian Rupees.

**Auditor's Report**

"As per our separate report of even date"

**For M/s Prem Kumar Bhotika  
(Chartered Accountants)**

For and on behalf of Board of Directors of  
**Mashaal Impex Limited**

**Sd/-  
(Prem Kumar Bhotika)**

**Proprietor**

Membership No.: 051833

**Sd/-  
Gopi Krishna Murala**

(Director)

DIN: 02246445

**Sd/-  
Mukku Mamatha**

(Director)

DIN: 07450063

**Sd/-  
Shankara Rao  
Arepu  
(Chief Executive  
Officer)**

Signed at Kolkata on May 27, 2016

**Sd/-  
Venkata Ratna Babu  
Divyakolu  
(Chief Financial Officer)**

**Sd/-  
Shinkee Goyal  
(Company Secretary)  
M. No. - ACS-41872**

## Notice of Annual General Meeting

Notice is hereby given that the Thirty-first Annual General Meeting of Mashaal Impex Limited will be held on Friday, September 30, 2016 at 11.00 A.M at the registered office of the Company at 40B, Princep Street, 3<sup>rd</sup> Floor Kolkata, West Bengal-700072, to transact the following business:

### **ORDINARY BUSINESS**

#### **Item No. 1 – Adoption of Audited Financial Statements**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March, 2016 and the Reports of the Board of Directors and the Auditors and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the audited financial statement of the company for the financial year ended March 31, 2016 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and hereby considered and adopted.”

#### **Item No. 2 – Appointment of Statutory Auditors of the Company**

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Sushil Lal & Associates, Chartered Accountants (FRN 021758N]) be and is hereby appointed as the Statutory Auditors of the Company in place of M/s Prem Kumar Bhotika, Chartered Accountants, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company, to be held in the year 2021, subject to the ratification by the members of the company at every Annual General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of out-of-pocket expenses in connection with the audit.”

### **SPECIAL BUSINESS:**

#### **Item No. 3- Appointment of Ms. Mukku Mamatha (DIN: 07450063) as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) 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) read with Schedule IV to the Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Mukku Mamatha (DIN: 07450063), who was appointed as an Additional Director (in the Capacity of Independent Director) with effect from February 12, 2016 and who holds office until the date of this Annual General Meeting in terms of Section 161 of Act and other applicable provisions of the Act including any schedules and the relevant rules thereof and in respect of whom the Company has received a notice in writing under Section 160 of the Act and the rules thereof, proposing her candidature for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto February 11, 2021 and shall not be liable to retire by rotation.”

**Item No. 4 Appointment of Mr. Mohamad Abdul Raheem (DIN: 07510166) as an Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to provisions of Sections 152, 160 and any other applicable provisions of the Companies Act, 2013 (“the Act”) 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 applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Mohamad Abdul Raheem (DIN: 07510166), who was appointed as an Additional Director (in the Capacity of Non- Executive Director) with effect from May 27, 2016 and who holds office until the date of this Annual General Meeting in terms of Section 161 of Act and other applicable provisions of the Act and the relevant rules thereof and in respect of whom the Company has received a notice in writing under Section 160 of the Act and the rules thereof, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

**Item No. 5 Appointment of Mr. Gangala Sandeep Kumar Reddy (DIN: 07510200) as an Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 (“the Act”) 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 applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Gangala Sandeep Kumar Reddy (DIN: 07510200), who was appointed as an Additional Director (in the Capacity of Non- Executive Director) with effect from May 27, 2016 and who holds office until the date of this Annual General Meeting in terms of Section 161 of Act and other applicable provisions of the Act and the relevant rules thereof and in respect of whom the Company has received a notice in writing under Section 160 of the Act and the rules thereof, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

**By order of the Board  
For Mashaal Impex Limited**

**Sd/-  
(SHINKEE GOYAL)  
Company Secretary & Compliance Officer  
ICSI Membership No. ACS 41872**

**Date: September 03, 2016  
Place: Kolkata**

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3, 4 & 5 of the Notice, is annexed hereto. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Directors, are also annexed.
2. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as a proxy to attend and vote, on his/her behalf in the meeting and such person can act as a proxy on behalf of members of the Company not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy need not be a member of the company.
3. The instrument appointing the Proxy, duly completed must be deposited at the Company's Registered Office not less than 48 hours before the commencement of the meeting. A Proxy form for the Annual General Meeting is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company
5. Attendance Slip, Proxy Form and the route map of the Venue of the meeting are annexed hereto. Members/Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2016 to September 30, 2016 (both days inclusive) for the purpose of the Annual General Meeting.

7. The Company's Registrar and Transfer Agents for its share registry (both, physical as well as electronic) is M/s Skyline Financial Services Private Limited having its office at D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110 020
8. Members who are holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintain their demat accounts. Members holding shares in physical mode are requested to advice any change in their address or bank mandates to the Company/Skyline Financial Services Private Limited.
9. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a certified true copy of the relevant Board resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.
10. To support the 'Green Initiative', members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
11. Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report 2016 will also be available on the Company's website [www.mashaalimpex.in](http://www.mashaalimpex.in). The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at [mashaalimpex@gmail.com](mailto:mashaalimpex@gmail.com)
12. 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 AGM.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit the 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 our Registrar & Transfer Agents.
14. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

16. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
17. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 31<sup>st</sup> Annual General Meeting to be held on Friday, September 30, 2016, at 11:00 A.M. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility:

The e-voting facility is available at the link  
<http://www.evotingindia.com/>

19. The facility for voting through poll shall be made available at the AGM, to all the members attending the AGM, who have not opted e-voting facility. Further, the members who have opted e-voting facility may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
20. E-voting commences on September 27, 2016 at 9:00 A.M. and will end at September 29, 2016 at 5:00 P.M. and at the end of e-voting period, the facility shall forthwith be blocked.
21. **The Detailed instructions on remote e-voting is made part of a separate sheet "Instructions for e-voting" attached to this Notice.**
22. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days upto the date of declaration of the result of the 22<sup>nd</sup> Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the Company and also at the meeting

**By order of the Board  
For Mashaal Impex Limited**

**Sd/-  
(SHINKEE GOYAL)  
Company Secretary & Compliance Officer  
ICSI Membership No. ACS 41872**

**Date: September 03, 2016  
Place: Kolkata**



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

- (i) The voting period Commence on Tuesday, September 27, 2016 at 9:00 A.M. and will end at Thursday, September 29, 2016 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting Venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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>
Dividend Bank Details <b>OR</b> Date of	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

Birth (DOB)	
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**\*sequence number shall be as per separate sheet attached with the Annual report**

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the <Mashaal Impex Limited > on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **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 linked in the login 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.

(xxi) 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).

**Other Instructions:**

- (i) The e-voting period Commence on Tuesday, September 27, 2016 at 9:00 A.M. and will end at Thursday, September 29, 2016 at 5:00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. 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 Meeting through electronic voting system or poll paper.
- (iii) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on [www.evotingindia.com](http://www.evotingindia.com).

- (iv) M/s. Surbhi Bansal & Associates, Practising Company Secretary (Membership No. ACS 39013), has been appointed as Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (v) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, 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 make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- (vi) The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.mashaalimpex.in](http://www.mashaalimpex.in) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) immediately.

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

### **ITEM NO. 3. – Appointment of Ms. Mukku Mamatha (DIN: 07450063) as an Independent Director of the Company:**

Ms. Mukku Mamatha joined the Board of Directors of the Company on February 12, 2016 as an Additional Director (under the category of Independent Director) of the Company pursuant to Section 152 and 161 of the Companies Act, 2013. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Ms. Mukku Mamatha shall hold office upto the date of ensuing Annual General Meeting.

In terms of provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") 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) read with Schedule IV to the Act and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Mukku Mamatha (DIN : 07450063) is proposed to be appointed as an Independent Director for a consecutive term of 5 (Five) years upto February 11, 2021.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from member along with the deposit of Rs. 1,00,000/- (Rupees One Lakh Only) proposing the candidature of her for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV and all other applicable provisions of the Companies Act, 2013.

The Company has received from Ms. Mukku Mamatha (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013 (iii) Declaration of Independence, that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Draft letter for appointment of Ms. Mukku Mamatha as director setting out terms and conditions will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 31<sup>st</sup> Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the company and also at the meeting.

### **Justification for choosing the appointee for appointment as Independent Director**

The Board consider that her proposed association as an Independent Director would be of immense benefit to the Company and it is desirable to avail the services of Ms. Mukku Mamatha as an Independent Director.

No, Director, Key Managerial Personnel, or their relatives, except Ms. Mukku Mamatha to whom the resolution relates, is interested or concerned in the Resolution.

The Board recommends the resolution set forth in Item No. 3 for the approval of members.

**Item No. 4 Appointment of Mr. Mohamad Abdul Raheem (DIN: 07510166) as an Director of the Company**

Mr. Mohamad Abdul Raheem (DIN: 07510166) joined the Board of Directors of the Company on May 27, 2016 as an Additional Director (In the capacity of Non-Executive Director) of the Company pursuant to Section 152 and 161 of the Companies Act, 2013. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mr. Mohamad Abdul Raheem shall hold office upto the date of ensuing Annual General Meeting.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from member along with the deposit of Rs. 1,00,000/- (Rupees One Lakh Only) proposing the candidature of him for office of Director of the Company and whose period of office will be liable to determination by retirement of directors by rotation.

The Company has received from Mr. Mohamad Abdul Raheem (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013.

The Board considers that the appointment of Mr. Mohamad Abdul Raheem as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board recommends his appointment as a Director of the Company, liable to retire by rotation.

Draft letter for appointment of Mr. Mohamad Abdul Raheem as director setting out terms and conditions will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 31<sup>st</sup> Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the company and also at the meeting.

No, Director, Key Managerial Personnel, or their relatives, except Mr. Mohamad Abdul Raheem to whom the resolution relates, is interested or concerned in the Resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of members.

**Item No. 5 Appointment of Mr. Gangala Sandeep Kumar Reddy (DIN: 07510200) as an Director of the Company**

Mr. Gangala Sandeep Kumar Reddy (DIN: 07510200) joined the Board of Directors of the Company on May 27, 2016 as an Additional Director (In the capacity of Non-Executive Director) of the Company pursuant to Section 152 and 161 of the Companies Act, 2013. Pursuant to the provisions of Section 161 of the Companies Act, 2013 Mr. Gangala Sandeep Kumar Reddy shall hold office upto the date of ensuing Annual General Meeting.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from member along with the deposit of Rs. 1,00,000/- (Rupees One Lakh Only) proposing the candidature of him for office of Director of the Company.

The Company has received from Mr. Gangala Sandeep Kumar Reddy (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under subsection (2) of Section 164 of the Companies Act, 2013.

The Board considers that the appointment of Mr. Gangala Sandeep Kumar Reddy as a Director of the Company would be of immense benefit to the Company. Accordingly, the Board recommends his appointment as a Director of the Company, liable to retire by rotation.

Draft letter for appointment of Mr. Gangala Sandeep Kumar Reddy as director setting out terms and conditions will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 31<sup>st</sup> Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the company and also at the meeting.

No, Director, Key Managerial Personnel, or their relatives, except Mr. Gangala Sandeep Kumar Reddy to whom the resolution relates, is interested or concerned in the Resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of members.

**By order of the Board  
For Mashaal Impex Limited**

**Sd/-  
(SHINKEE GOYAL)  
Company Secretary & Compliance Officer  
ICSI Membership No. ACS 41872**

**Date: September 03, 2016**

**Place: Kolkata**

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (IN PURSUANCE) OF REGULARISATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

<b>Name of the Director</b>	Ms. Mukku Mamatha	Mr. Mohamad Abdul Raheem	Mr. Gangala Sandeep Kumar Reddy
<b>Date of Birth</b>	17/03/1991	10/08/1970	13/11/1984
<b>Date of First Appointment</b>	February 12, 2016	May 27, 2016	May 27, 2016
<b>Expertise in specific Functional Areas</b>	Accounts and Finance	Marketing	Marketing
<b>Number of shares held in the Company</b>	Nil	Nil	Nil
<b>Qualification</b>	Graduate( B.com)	Graduate( BA)	Graduate( B.com)
<b>List of Companies in which Directorship held</b>	Nil	Nil	Nil
<b>Membership of the Committees of the Board of Companies in which he/she is a Director</b>	Nil	Nil	Nil
<b>Relationship with other Directors, Manager and Other Key Managerial Personnel of the Company</b>	No relationship with any Director, Manager and other Key Managerial Personnel of the Company	No relationship with any Director, Manager and other Key Managerial Personnel of the Company	No relationship with any Director, Manager and other Key Managerial Personnel of the Company



**ATTENDANCE SLIP**

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE**

<b>Name</b>	
<b>Address</b>	
<b>DP-ID/CLIENT-ID*</b>	
<b>Regd. Folio No.#</b>	
<b>No. of shares held</b>	
<b>Whether the member is attending the meeting in person or by proxy or by authorized representative.</b>	
<b>Name of the proxy (to be filed in if proxy attends instead of the member).</b>	

*\*Applicable for investors holding shares in Electronic form.*

*# Applicable for investors holding shares in Physical form.*

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the Annual General Meeting of the Company held on Friday, the 30<sup>th</sup> day of September, 2016 at 11:00 A.M., at the Registered Office of the Company situated at 40B Princep Street, 3<sup>rd</sup> Floor, Kolkata, West Bengal-700072.

**Signature of the Member/Proxy**  
**(To be signed at the time of handing over the slip)**

**Form No. MGT-11**

**Proxy Form**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014)

**CIN:** L51109WB2002PLC094647

**Name of the Company:** Mashaal Impex Limited

**Registered Office:** 40B, Princep, Street 3<sup>rd</sup> Floor, Kolkata, West Bengal- 700072

Name of the Member (s)		
Registered Address:		
E-mail Id:		
*DP Id. / Client Id.		Regd. Folio No.

(\* Applicable for members holding share(s) in electronic form)

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

1. Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
  
E-mail ID : \_\_\_\_\_  
Signatiure : \_\_\_\_\_, or failing him \_\_\_\_\_
2. Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
  
E-mail ID : \_\_\_\_\_  
Signatiure : \_\_\_\_\_, or failing him \_\_\_\_\_
3. Name : \_\_\_\_\_  
Address: \_\_\_\_\_  
  
E-mail ID : \_\_\_\_\_  
Signatiure : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> **Annual General Meeting** of the Company, to be held on Friday, September 30, 2016 at 11.00A.M. at 40B, Princep Street 3<sup>rd</sup> Floor Kolkata West Bengal-700072 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
1.	Adoption of Financial Statements		
2.	To Appointment of Statutory Auditors		
3.	Appointment of Ms. Mukku Mamatha as an Independent Director of the Company		

4.	Appointment of Mr. Mohamad Abdul Raheem as Director of the Company		
5.	Appointment of Mr. Gangala Sandeep Kumar Reddy as Director of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

Affix Revenue Stamp  
Signature of Shareholders(s)

Re.1  
Revenue  
Stamp

Signature of Proxy holders(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. It is optional to put a (v) in the appropriate column against the Resolution indicated in the Box. If, you leave the ' For' and 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she think appropriate.

#### Route Map for the Annual General Meeting

