

Microse India Limited

Regd. off. : 421, Maker Chamber V, Nariman Point, Mumbai - 400 021.
Tel.: 022-2282 4981 • Fax : 022-2283 5036

CIN No. L32201MH1988PLC152404

email: microse@rediffmail.com
website: www.microseindia.com

October 17, 2016

To,
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
PJ Tower, Dalal Street,
Mumbai- 400001

Dear Sir/Madam,

Scrip Code: 523343

Sub: Submission of 28th Annual Report of Microse India Limited for the Financial Year 2015-16 pursuant to Regulation 34(1) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 approved and adopted in the Annual General Meeting held on September 30, 2016.

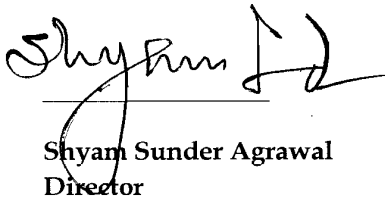
With reference to the above captioned subject, enclosed herewith please find the approved and adopted 28th Annual Report of Microse India Limited for the Financial Year 2015-2016 in the Annual General Meeting held on September 30, 2016 for your records as per regulation 34(1) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Kindly take the same on your record and oblige.

Thanking you,

Yours faithfully,

For Microse India Limited



Shyam Sunder Agrawal
Director

DIN: 00355837

Encl. a/a

Microse India Limited

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email: microse@rediffmail.com

website: www.microseindia.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of MICROSE INDIA LIMITED will be held on Friday, September 30, 2016 at 03:00 P.M. at the Registered Office of the Company situated at 421, Maker Chamber V, Nariman Point, Mumbai - 400 021, Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the year ended March 31, 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Saurabh Garg who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being force), the appointment of M/s. Chunnilal and Company, Chartered Accountants, Mumbai having Firm Registration No. 101947W, as Auditors of the Company, is hereby ratified to hold office from conclusion of this Annual General Meeting till the conclusion of Annual General Meeting for the Financial Year March 31, 2020, subject to ratification in every Annual General Meeting by the Shareholders and on a remuneration to be fixed by the Board of Directors of the Company, in

addition to the service tax and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company to be reimbursed for the financial year ending March 31, 2017."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152, 161 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable provisions, if any for the time being in force, Ms. Nisha Garg (DIN: 06379024), who was appointed as an Additional Director by the Board of Directors of the Company and who holds office as such up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company."

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to file Form DIR - 12 with the Registrar of Companies, Mumbai and to do all such acts, deeds and things as may be necessary or incidental to give effect to this resolution."

**BY ORDER OF THE BOARD
FOR MICROSE INDIA LIMITED**



Shyam Sunder Agrawal
Chairperson and Director
DIN: 00355837

Address: 204, Tahnee Heights Chs Ltd,
Nepeansea Road,
Mumbai, 400006.

Place : Mumbai
Date : 07/09/2016

Notes:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting;
- 2) A person appointed as proxy shall act on behalf of such member or number of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder;
- 3) The Register of Members and Transfer Books of the Company will be closed from September 23, 2016 to September 25, 2016 (Both days inclusive).
- 4) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents, M/s. Bigshare Services Private Limited to provide efficient and better services.
- 5) Members holding shares in physical form are requested to intimate such changes to M/s. Bigshare Services Private Limited;
- 6) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/s. Bigshare Services Limited for assistance in this regard;
- 7) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s. Bigshare Services Limited, the details of such folios together with the share certificates for consolidating their

holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon;

- 8) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote;
- 9) In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice;
- 10) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting;
- 11) Members/Proxies should fill the attendance slip for attending the meeting and bring their attendance slip along with their copy of Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting;
- 12) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting;
- 13) All documents referred to in the notice are open for inspection at the registered office of the Company between Business hours on all working days up to the date of the Meeting;
- 14) Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road., Sakinaka, Andheri(E), Mumbai, Maharashtra 400072.

Tel No: 022 4043 0200

Email: shubhangi@bigshareonline.com

- 15) As per the provisions of the Companies Act 2013, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company;
- 16) Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting;
- 17) **E- voting:**

In compliance with section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company is pleased to provide its Shareholders with facility to exercise their right to vote on resolution proposed at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

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

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

The Process and manner for remote e-voting are as under

The procedure and instructions for e-voting are as follows:

- I. The voting period begins from 9.00 A.M. on Tuesday, September 27, 2016 and ends on 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 cut-off date of Friday, September 23, 2016 may cast their vote electronically. The evoting module shall be disabled by CDSL for voting thereafter;
- II. The shareholders should log on to the e-voting website www.evotingindia.com;
- III. Click on "Shareholders" tab to caste your votes;
- IV. Now Enter your User ID;
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on Login;
- V. Next enter the Image Verification as displayed and Click on Login;
- VI. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• 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 (refer sequence no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN Field.• 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 serial number 1 then enter RA00000001 in the PAN field.

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- VIII. After entering these details appropriately, click on "SUBMIT" tab.
- IX. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- X. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- XI. 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.
- XII. Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
- XIII. 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.
- XIV. Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.
- XV. You can also take out print of the voting done by you by clicking on "**CLICK HERE TO PRINT**" option on the Voting page.

- XVI. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVII. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- i. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - ii. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - iii. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - iv. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

18) Please follow all steps from sr.no. (I) to sr.no (XVII) above to caste vote

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 under help section or write an email to helpdesk.evoting@cdslindia.com

19) M/s. Pramod S. Shah & Associates, Practicing Company Secretaries, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3(three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2(two) witness not in the employment of the Company and make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company;

The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL within 2 (two) working days immediately working days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.

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

Ms. Nisha Garg was appointed as an Additional Director on the Board of the Company with effect from November 09, 2015 to hold office upto the date of the Annual General Meeting.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a Member signifying his intention to propose the appointment of , Ms. Nisha garg as a Director of the Company.

Following are the Directors who were interested in above resolution:

- Mr. Shyam Sunder Agrawal is husband of Ms. Nisha Garg
- Mr. Saurabh Garg is son of Ms. Nisha Garg

The resolution as set out in item nos. 4 of this Notice is accordingly commended for your approval.

**BY ORDER OF THE BOARD
FOR MICROSE INDIA LIMITED**



Shyam Sunder Agrawal
Chairperson and Director
DIN: 00355837

Address: 204, Tahnee Heights Chs Ltd,
Nepeansea Road,
Mumbai, 400006.

Place : Mumbai
Date : 07/09/2016

As per Regulation 36 of the SEBI (LODR) Regulation, 2015 following are the details of Directors

1. MS. NISHA GARG

BRIEF RESUME OF MS. NISHA GARG:

- Qualification : Post Graduate
- Date of Birth : 26/06/1958

NATURE OF HER EXPERTISE IN SPECIFIC FUNCTIONAL AREAS:

- Finance and Accounting
- Having a experience of 5 years in finance and accounting.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTERE-SE:

- Mr. Shyam Sunder Agrawal is husband of Ms. Nisha Garg
- Mr. Saurabh Garg is son of Ms. Nisha Garg

NAMES OF LISTED ENTITIES IN WHICH THE PERSON ALSO HOLDS THE DIRECTORSHIP AND THE MEMBERSHIP OF COMMITTEES OF THE BOARD:

N.A

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:

- Mr. Nisha Garg is holding 1,42,600 equity shares in the Company

2. MR. SAURABH GARG

BRIEF RESUME OF MR. SAURABH GARG:

- Qualification : Graduate in Commerce and Diploma In Business Management
- Date Of Birth: 23/08/1983
- Mr. Saurabh Garg specializes in business management and associate with Company since 2004.

NATURE OF HIS EXPERTISE IN SPECIFIC FUNCTIONAL AREAS:

- He is having vast experience in Business Management and Market Segment.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTERE-SE:

- Mr. Shyam Sunder Agrawal is father of Mr. Saurabh Garg
- Ms. Nisha Garg is mother of Mr. Saurabh Garg

NAMES OF LISTED ENTITIES IN WHICH THE PERSON ALSO HOLDS THE DIRECTORSHIP AND THE MEMBERSHIP OF COMMITTEES OF THE BOARD:

N.A

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:

- Mr. Saurabh Garg is holding 1,39,000 equity shares in the Company

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: L32201MH1988PLC152404

Name of the Company: MICROSE INDIA LIMITED

Registered office: 421 MAKER CHAMBER, V, NARIMAN POINT, MUMBAI - 400021

Name of the Member (s) :

Registered address:

E-mail Id :

Folio No/Client ID:

DP ID:

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

Sr. no	Name	Address	E-mail Id	Signature
1				
2				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 28th Annual general meeting of the company, to be held on the day of September 30, 2016 at 03:00 p.m. at 421 Maker Chamber, V, Nariman Point, Mumbai -400021 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1. To adopt the Financial Statement for the F.Y 2015-16
2. To appoint Mr. Saurabh Garg
3. To ratified the appointment of Auditor
4. To Regularize the appointment of Ms. Nisha Garg

Affix
Revenue
Stamp

Signed this..... day of..... 20....

Signature of shareholder

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

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

Microse India Limited

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CIN No. L32201MH1988PLC152404

email: microse@rediffmail.com

website: www.microseindia.com

Attendance Slip

Registered Folio / DP ID & Client ID	
Name	
Address of Shareholder	
No. of Shares held	

I/We hereby record my/our presence at 28th Annual General Meeting of the Company at 421 Maker Chamber, V, Nariman Point, Mumbai -400021 on, Friday, September 30, 2016 at 03:00 PM

Signature of Shareholder / Proxy

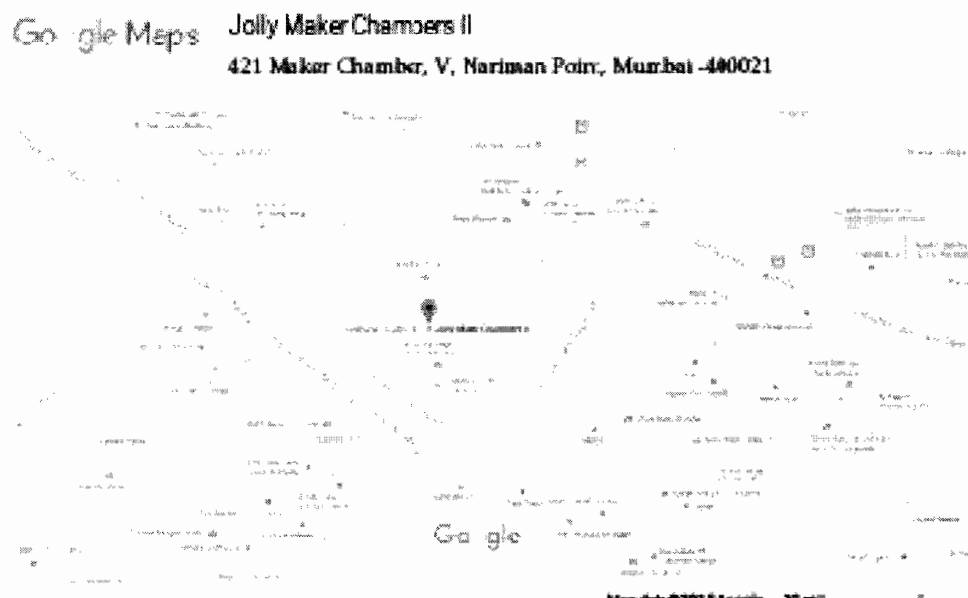
Present.....

Note: 1.

1. You are requested to sign and hand this over at the entrance.

2. If you are attending the meeting in person or by proxy please bring copy of notice and annual report for reference at the meeting.

ROAD MAP OF THE COMPANY:-



Microse India Limited

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CIN No. L32201MH1988PLC152404

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Directors' Report

To,

The Members,

Microse India Limited,

Your Directors take pleasure in presenting the 28th Annual Report along with Audited Financial Statements of your Company for the Financial Year ended March 31, 2016.

The State of the Company's Affairs

1. KEY FINANCIAL HIGHLIGHTS:

Particulars	For the Year ended March 31, 2016 (Rs.)	For the Year ended March 31, 2015 (Rs.)
Income	36,465,670	90,222,724
Expenditure	(35,867,089)	(89,298,876)
Profit/ (Loss) before Depreciation and Tax	598,581	923,848
Depreciation	-	(7,693)
Profit / (Loss) before Tax	598,581	916,155
Deferred Tax/Current Tax	(44,253)	(147,908)
Profit/ (Loss) after Tax	554,328	768,247

2. DIVIDEND:

With the view to conserve the resources of the Company the Directors are not recommending any dividend.

3. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

Since there is no manufacturing carried on by the Company, particulars required to be given in the terms of Section 134(3)(c) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of energy and Technology Absorption is not applicable.

4. FOREIGN EXCHANGE EARNINGS AND OUTGO

There is no earning and expenses in foreign currency.

5. MATERIAL CHANGES AND COMMITMENTS 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:

There has been no material changes and commitments 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.

6. REVISION OF FINANCIAL STATEMENT OF THE COMPANY/THE REPORT OF THE BOARD:

The Financial Statement of the Company/Board Report has not been revised during the Financial Year 2015-2016 as per Section 131 of the Companies Act, 2013.

7. EXTRACT OF ANNUAL RETURN :

Extracts of the Annual Return as provided in Section 92(3) of the Companies Act, 2013 in MGT-9 is attached as **ANNEXURE-I**.

8. DETAILS OF NEW SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES:

Sr. No	Name of Company	Subsidiary / Joint ventures/ Associate Company	Date of becoming of Subsidiary / Joint ventures/ Associate Company.
N.A.	N.A.	N.A.	N.A.

9. DETAILS OF THE COMPANY WHO CEASED TO BE ITS SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES:

Sr. No	Name of Company	Subsidiary / Joint ventures/ Associate Company	Date of cession of Subsidiary / Joint ventures/ Associate Company.
N.A.	N.A.	N.A.	N.A.

10. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE;

Sr. No.	Name of Authority who has issued an order.	Date of Order.	Particulars of Order.
	NA	NA	NA

11. DEPOSITS:

During the year, the Company has not accepted any deposits covered under Section 73 to 76 under the Companies Act, 2013.

12. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Management Discussion and Analysis report is provided in **ANNEXURE II**.

13. INTERNAL FINANCIAL CONTROL:

The Board of Directors is responsible for ensuring that internal financial controls have been laid down in the Company and that such controls are adequate and functioning effectively. These have been established at the entity and process levels and are designed to ensure compliance to internal control requirements, regulatory compliance and appropriate recording of financial and operational information.

The company has adequate internal control system in place on the basis of which financial accounting is done and periodically financial statements are prepared. Such Internal control systems are adequate and operating effectively.

14. DETAILS OF MEETING OF BOARD OF DIRECTORS:

The Board met **Fifteen** times during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements), Regulation, 2015. The details of which are given below:

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted

1	20/04/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
2	16/05/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
3	27/05/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	5	--
4	19/06/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
5	06/07/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
6	08/08/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	5	--
7	28/08/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
8	10/09/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
9	09/10/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	2	2
10	09/11/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	4	--

11	15/12/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
12	05/01/2016	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
13	08/02/2016	421, Maker Chamber V, Nariman Point, Mumbai- 400021	5	--
14	24/02/2016	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	2
15	21/03/2016	421, Maker Chamber V, Nariman Point, Mumbai- 400021	5	--

15. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Changes in Directors and Key managerial personnels are as follows.

Sr. No	Name of the Director/Key managerial personal	Particulars	Date of Appointment and resignation
1	Ms. Nisha Garg	Cessation of office	September 30, 2015
1	Ms. Nisha Garg	Appointment as an Additional Director	November 09, 2015

16. STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS UNDER SECTION 149 (6) OF THE COMPANIES ACT, 2013:

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that they have met the criteria of independent director as laid out in sub-section (6) of Section 149 of the Companies Act, 2013. In view of the above provisions, your Company has following Independent Directors:

Sr. No.	Name of the Independent Director	Date of appointment / Reappointment	Date of passing special resolution (if any)
1.	Mr. Vijay Kumar Jain	20/03/2015	NA
2.	Mr. Gajendranath Chaturvedi	20/03/2015	NA

17. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee consists of three Directors with two Independent Directors and one Non-Executive Director with the Chairman being the Independent Director, and the said constitution is in accordance with the provisions of Section 178 of the Companies Act, 2013. The Committee acts in accordance with the Terms of Reference as approved and adopted by the Board. The Nomination and Remuneration Policy is attached as per **ANNEXURE-III**

The Composition of the Nomination and Remuneration Committee is as under:

CHAIRMAN: Mr. Vijay Kumar Jain (Independent Director)

MEMBERS:

- Mr. Gajendra Nath Chaturvedi; (Independent Director)
- Ms. Nisha Garg (Non-Executive Director)

The meeting of Nomination & Remuneration Committee was held on August 06, 2015 and November 09, 2015 and all members were present.

18. AUDIT COMMITTEE:

In accordance with the provisions of Section 177 of the Companies Act, 2013 your Company has constituted an Audit Committee comprising of minimum three Directors consisting of two Non- Executive Independent Directors and one Executive Director, with the Chairman being Independent director. The Audit Committee acts in accordance with the Terms of Reference specified by the Board in writing.

CHAIRMAN: Mr. Gajendra Nath Chaturvedi (Independent Director)

MEMBERS:

- Mr. Shyam Sunder Agrawal; (Executive Director)
- Mr. Vijay Kumar Jain (Independent Director)

Details of Meeting of Audit Committee:

Sr. No.	Date of Meetings	Venue and time of the meeting	Directors present	Directors to whom Leave of absence was granted
1	14/05/2015	421, Maker Chamber V, Nariman Point, Mumbai-400021	4	--
2	27/05/2015	421, Maker Chamber V, Nariman Point, Mumbai-400021	4	--
3	06/08/2015	421, Maker Chamber V, Nariman Point, Mumbai-400021	4	--

4	09/11/2015	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	--
5	08/02/2016	421, Maker Chamber V, Nariman Point, Mumbai- 400021	3	--

The functions of the Audit Committee is stated below:

- (a) Overview of the company's financial reporting process and the Disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Review and monitoring of internal control system and compliance of audit observations of the Auditors
- (c) Review of the financial statements before submission to the Board.
- (d) Supervision of other financial and accounting matters as may be referred to by the Board.
- (e) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of internal control systems
- (f) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- (g) Reviewing the company's financial and risk management policies.
- (h) Overseeing vigil mechanism for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases.

19. VIGIL MECHANISM:

Your Company believes in promoting a fair, transparent, ethical and professional work environment. The Board of Directors of the Company has established a Whistle Blower Policy & Vigil Mechanism in accordance with the provisions of the Companies Act, 2013 for reporting the genuine concerns or grievances or concerns of actual or suspected, fraud or violation of the Company's code of conduct. The said Mechanism is established for directors and employees to report their concerns. The policy provides the procedure and other details required to be known for the purpose of reporting such grievances or concerns. The Vigil Mechanism Policy is attached as per **ANNEXURE: IV**

20. ACCEPTANCE OF RECOMMENDATIONS OF THE AUDIT COMMITTEE:

The Management acted upon the observations and suggestions of the Audit Committee:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

7. Approval or any subsequent modification of transactions of the company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
14. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

21. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

As the company is not falling under the criteria mentioned for constitution of Corporate Social Responsibility Committee and spending CSR expenditure under Section 135 of the Companies Act, 2013.

22. QUALIFICATION GIVEN BY THE AUDITORS:

There are no qualifications, reservation or adverse remarks or disclaimers made by the Statutory Auditors of the Company in their report.

23. LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

The company has not given any loan or guarantee or provided security in connection with a loan to any other body corporate during the year.

24. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

The Company has entered into transactions with related parties in compliance to section 177 & 188 of Companies Act, 2013 and all details have been disclosed in the financial statement as prescribed by the accounting standards.

25. RISK MANAGEMENT FRAMEWORK:

The Company have Risk Management framework to inform the Audit Committee and Board members about the risk assessment and minimization procedures and periodical review to ensure that Executive Management controls risk by means of properly designed framework.

The Company's framework of risk management process provides clear basis for informed decision making at all levels of the organization on an ongoing basis, having duly evaluated likely risk and their mitigation plans being controllable and within risk appetite. There are no elements of risk, which in the opinion of the Board may threaten the existence of the Company.

26. ANNUAL EVALUATION OF THE BOARD PERFORMANCE :

The company has in place a policy on performance evaluation of Independent Directors, Board, Committees and individual Directors. The Board of Directors evaluates its own performance in terms of operations of the Company, Financial Results etc., the performance of Committee(s) is evaluated by the Board based on effectiveness of Committee, its functioning and decisions etc. The Board also reviews the performance of individual Director(s) based on the contribution of the individual Director to the Board/ Committee Meetings, participation in discussions, inputs given in the meeting.

As required under section 178(2) of the Companies Act, 2013 and under Schedule IV to the Companies Act, 2013 on Code of conduct for Independent Directors, a comprehensive exercise for evaluation of the performances of every individual Director, of the Board as a whole and its Committees has been carried by your company during the year under review as per the evaluation criteria approved by the Board and based on guidelines given in Schedule IV to the Companies Act, 2013.

For the purpose of carrying out performance evaluation exercise, four types of Evaluation forms were devised in which the evaluating authority has allotted to the individual Director, the Board as a whole, its Committees and appropriate rating as Excellent, Very Good, Good or Satisfactory depending upon the performance.

Such evaluation exercise has been carried out:

- i) of Independent Directors by the Board.
- ii) of Non-Independent Directors by all the Independent Directors in separate meeting held for the purpose.
- iii) of the Board as a whole and its Committees by all the Independent Directors in separate meeting held for the purpose on March 31, 2016.
- iv) of the Chairperson of your Company by the Independent Directors in separate meeting held on March 31, 2016 after taking into account the views of the Executive/Non-Executive Directors.
- v) of individual Directors by the Nomination and Remuneration Committee.

Having regard to the industry, size and nature of business your company is engaged in, the evaluation methodology adopted is, in the opinion of the Board, sufficient, appropriate and is found to be serving the purpose.

27. AUDITORS:

M/s. Chunnilal and Company having firm registration no. 101947W was appointed as Statutory Auditor of the Company via Ordinary Resolution passed in the 27th Annual General Meeting to hold office from the conclusion of 27th Annual General Meeting until the conclusion of 32nd Annual General Meeting for the period of Five years subject to the ratification in every Annual General Meeting.

Your Directors recommend their ratification in the upcoming 28th Annual General Meeting for auditing the books of accounts of the Company for the F.Y 2016-17.

28. EQUITY SHARES WITH DIFFERENTIAL RIGHTS:

Your Company has not issued any equity shares with differential voting Rights.

29. DISCLOSURE OF REMUNERATION PAID TO DIRECTOR AND KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

- A. None of the employee of the Company is drawing remuneration in excess of limits prescribed under Rule (5)(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- B. The Details with regards to the payment of Remuneration to the Directors and Key Managerial Personnel is provided in form MGT-9- Extract of the Annual Return **(ANNEXURE-I)**

30. PARTICULARS OF EMPLOYEES:

None of the employee of the Company is drawing remuneration in excess of the limits prescribed under Rule (5)(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

31. EMPLOYEES' STOCK OPTION PLAN:

Your Company has not issued any Employee Stock Option Plan to their employees.

32. SWEAT EQUITY SHARES:

Your Company has not issued any number of Sweat Equity Shares according to Section 54 of the Companies Act, 2013. Since the shares are not issued the details of issuance of sweat equity shares to its directors/ employees in accordance with Section 54 of the Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable.

33. LISTING ON STOCK EXCHANGES:

Your company's equity shares are listed on The Bombay Stock Exchange, Mumbai (BSE). The company has paid the listing fees to the stock exchanges for the financial year 2015-16.

34. SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report as submitted by M/s. Akash Jain, Practising Company Secretaries who were appointed as the Secretarial Auditors of the Company by the Board is set out in the **ANNEXURE V** to this report. There are no qualifications, reservations or adverse remarks or any disclaimer that have been made by the Secretarial Auditor.

35. CORPORATE GOVERNANCE :

The Corporate Governance provision of SEBI (LODR) Regulation, 2015 is not applicable to the Company.

36. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that-

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had 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 had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

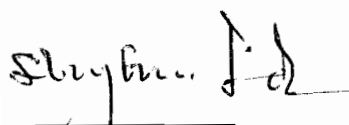
(e) the directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and laid down internal financial controls to be followed by the company and that such systems were adequate and operating effectively.

37. ACKNOWLEDGEMENT:

Your Directors appreciate and acknowledge the unstinted commitment and valuable contribution made by the employees of the Company at all levels. The Directors also take this as an opportunity to express their gratitude to all the Stakeholders of the Company viz. customers, members of medical profession, investors, banks, regulators for their continued support during the year under review.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
MICROSE INDIA LIMITED**



Shyam Sunder Agrawal
Director

DIN: 00355837

Address: 204, Tahnee Heights,
Chs Ltd, Nepeansea Road, Mumbai - 400 006

Date: 07/09/2016

Place : Mumbai



Saurabh Garg
Director

DIN: 00376890

Address: 204, Tahnee Heights
Nepeansea Road,
Mumbai - 400 006

ANNEXURE TO BOARD'S REPORT.

Annexure I Annual return

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended 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 AND OTHER DETAILS:

i)	CIN:-	L32201MH1988PLC152404
ii)	Registration Date –	31/05/1988
iii)	Name of the Company -	MICROSE INDIA LIMITED
iv)	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
v)	Address of the Registered office and contact details	421 MAKER CHAMBER V, NARIMAN POINT, MUMBAI- 400021
vi)	Whether Listed	YES
	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road., Sakinaka, Andheri(E), Mumbai, Maharashtra 400072. Tel No: 022 4043 0200, Email : shubhangi@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SI. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Other financial service activities, except insurance and pension funding activities, n.e.c		100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GL N	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHAREHOLDING PATTERN

(Equity share capital break-up as percentage of total equity):

i. Category-wise shareholding:

Category	No. Of shares held at the beginning of the year			No. Of shares held at the end of the year					
	Demat	Physical	Total	%	Demat	Physical	Total	%	% Change in shareholding during the year
A. Promoter									
(1) Indian									
a. Individual /HUF	670000	119700	789700	26.30	670000	119700	789700	26.30	0
b. Central Govt.	0	0	0	0	0	0	0	0	0
c. State Govt.	0	0	0	0	0	0	0	0	0
d. Bodies corporate	0	531300	531300	17.69	0	531300	531300	17.69	0
e. Banks/FI	0	0	0	0	0	0	0	0	0
f. Any other (Specify)									
(i) Directors relative	0	0	0	0	0	0	0	0	0
(ii) Group Companies	0	0	0	0	0	0	0	0	0
Sub-Total A(1)	670000	651000	1321000	43.99	670000	651000	1321000	43.99	0

(2) Foreign									
a. NRI Individuals	0	0	0	0	0	0	0	0	0
b. Other Individuals	0	0	0	0	0	0	0	0	0
c. Bodies Corporate	0	0	0	0	0	0	0	0	0
d. Banks/FI	0	0	0	0	0	0	0	0	0
e. Any Other...	0	0	0	0	0	0	0	0	0
Sub-Total A(2)	0	0	0	0	0	0	0	0	0
Total Share	670000	651000	1321000	43.99	670000	651000	1321000	43.99	0

holding of promoters A=A(1)+A(2)									
B. Public Shareholding									
(1) Institutions									
a. Mutual Fund / UTI	0	0	0	0	0	0	0	0	0
b. Banks / FI	0	0	0	0	0	0	0	0	0
c. Central Govt.	0	0	0	0	0	0	0	0	0
d. State Govt.	0	0	0	0	0	0	0	0	0
e. Venture Cap fund	0	0	0	0	0	0	0	0	0
f. Insurance Companies	0	0	0	0	0	0	0	0	0
g. FII's	0	0	0	0	0	0	0	0	0
h. Foreign Venture Cap Funds	0	0	0	0	0	0	0	0	0
i. Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total B(1)	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
a) Bodies Corporate	0	1616200	1616200	53.82	0	1616200	1616200	53.82	0
Indian Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
Individual shareholders holding nominal share capital up to Rs. 1 lakhs	0	65800	65800	2.19	0	65800	65800	2.19	0
Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0

c) Others (Specify)									
NRI	0	0	0	0	0	0	0	0	0
Sub-total B(2)	0	1682000	1682000	56.01	0	1682000	1682000	56.01	0
Total public shareholding B=B(1)+B(2)	0	1682000	1682000	56.01	0	1682000	1682000	56.01	0
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total A+B+C	670000	2333000	3003000	100.0	670000	2333000	3003000	100.0	0

Note: 1640600 Shares are partly paid up Shares.

(ii) Shareholding Promoters

Shareholder Name	Shareholding at beginning of the year			Shareholding at end of the year			% Change in shareholding during the year
	No. Of shares	% of total shares of the Co.	% of shares pledged / encumbered to total shares	No. Of shares	% of total shares of the Co.	% of shares pledged / encumbered to total shares	
A. Individuals, HUF and Trust	789700	26.30	0	789700	26.30	0	0
Relatives of Director	0	0	0	0	0	0	0
Director Relatives	0	0	0	0	0	0	0
B. Bodies Corporate	531300	17.69	0	531300	17.69	0	0
Group Companies	0	0	0	0	0	0	0
Total A+B	1321000	43.99	0	1321000	43.99	0	0

iii) Changes in promoters shareholding:

Sr. 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	1321000	43.99	1321000	43.99
1	CITY LAND & HSG. LLP	25000	0.8325	25000	0.83
2	BAY COMMERCIAL LLP	35400	1.1788	60400	2.01
3	YEN TRADING LLP	50000	1.6650	110400	3.68
4	HONESTY HOME CONST.CO. LLP	55000	1.8315	165400	5.51
5	PARADISE TRAD.PVT.LTD	75000	2.4975	240400	8.01
6	BERG TRADING PVT.LTD	75000	2.4975	315400	10.50
7	KRISHNA ORG.& BUILD.PVT.LTD	100000	3.3300	415400	13.83
8	GOOD VALUE RELATORS LLP	115900	3.8595	531300	17.69
9	SHYAM SUNDER AGRAWAL	119700	3.9860	651000	21.68

10	SAURABH GARG	139000	4.6287	790000	26.31
11	NISHA GARG	142600	4.7486	932600	31.06
12	SANGEETA GARG	143300	4.7719	1075900	35.83
13	ATIREK GARG	245100	8.1618	1321000	43.99
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO SUCH CHANGE	NIL		
	At the End of the year	1321000	43.99		
1	CITY LAND & HSG. LLP	25000	0.8325	25000	0.83
2	BAY COMMERCIAL LLP	35400	1.1788	60400	2.01
3	YEN TRADING LLP	50000	1.6650	110400	3.68
4	HONESTY HOME CONST.CO. LLP	55000	1.8315	165400	5.51

5	PARADISE TRAD.PVT.LTD	75000	2.4975	240400	8.01
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7	KRISHNA ORG.& BUILD.PVT.LTD	100000	3.3300	415400	13.83
8	GOOD VALUE RELATORS LLP	115900	3.8595	531300	17.69
9	SHYAM SUNDER AGRAWAL	119700	3.9860	651000	21.68
10	SAURABH GARG	139000	4.6287	790000	26.31
11	NISHA GARG	142600	4.7486	932600	31.06
12	SANGEETA GARG	143300	4.7719	1075900	35.83
13	ATIREK GARG	245100	8.1618	1321000	43.99

iv) Shareholding pattern of top ten shareholders (other than Directors, promoters and holders of GDRs and ADRs) :

Name of Shareholder	Category	Shareholding at beginning of the year		Shareholding at the end of the year	
		No. Of share	% of total shares of the Co.	No. Of shares	% of total shares of the Co.
CANDOCK INVST & TRD.P.LTD	Corporate Bodies	145,000	4.83	145,000	4.82
CANDLE TRADE & INV.P.LTD	Corporate Bodies	140,000	4.66	140,000	4.66
MELLON INVST.P.LTD	Corporate Bodies	140,000	4.66	140,000	4.66
BEHOOF INVESTMENTS & TRD.P.LTD	Corporate Bodies	135,000	4.50	135,000	4.50
APRICOT LEASING & FIN.P.LTD	Corporate Bodies	110,000	3.66	110,000	3.66
TRIM LEASING & FIN.P.LTD	Corporate Bodies	105,000	3.50	105,000	3.50
SMILEX TRADE & INVEST.P.LTD.	Corporate Bodies	105,000	3.50	105,000	3.50
ONFLOW INVESTMENT PVT.LTD	Corporate Bodies	105,000	3.50	105,000	3.50
SPACE LEASING LTD	Corporate Bodies	101,200	3.37	101,200	3.37
KEDGY INVESTMENT P.LTD	Corporate Bodies	100,000	3.33	100,000	3.33
BABOON INVST & TRD P.LTD.	Corporate Bodies	100,000	3.33	100,000	3.33
TOMTIT INVST & TRADE P.LTD	Corporate Bodies	100,000	3.33	100,000	3.33

**V. Shareholding Of Directors And Key Managerial Personnel
(Section 203 of The Companies Act, 2013 Regarding Appointment Of Key
Managerial Personnel Is Not Applicable To The Company)**

Name Of Director	Shareholding At Beginning Of The Year		Shareholding At The End Of The Year	
	No. Of Shares	% Of Total Shares Of The Co.	No. Of Shares	% Of Total Shares Of The Co.
Nisha Garg	142,600	4.75	142,600	4.75
Saurabh Garg	139,000	4.63	139,000	4.63
Shyam Sunder Agrawal	119,700	3.99	119,700	3.99

V INDEBTNESS

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	11,898,770	2,0000,000	31,898,770
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		11,898,770	2,0000,000	31,898,770
Change in Indebtedness during the financial year				
Addition	-	1,757,510	-	1,757,510
Reduction	-	-	-	-
Net Change	-	1,757,510	-	1,757,510
Indebtedness at the end of the financial year				
i) Principal Amount	-	13,656,280	2,0000,000	33,656,280
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	13,656,280	2,0000,000	33,656,280

VI. REMUNERATION OF DIRECTORS & KEY MANAGERIAL PERSONNEL

A. Remuneration to Key Managerial Personnel :

Name of the Key Managerial Personnel	Gross Salary	Perquisites	Total
Manojkumar Omprakash Chaudhari Designation - (CEO)	337042/-	NA	337042/-
Narottam Chooran Chand Chaturvedi Designation - (CFO)	348361/-	NA	348361/-

B. Remuneration to other Directors :

S r n o	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL

2. Other Non-Executive Directors						
• Fee for attending board / committee meetings						
• Commission						
• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL
Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL	NIL

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	337042/-	NIL	348361/-	685403/-

	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	337042/-	NIL	348361/-	685403/-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

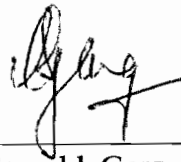
Type	Section of Companies Act	Brief description	Details of penalty / punishment / compounding fee imposed	Authority [RD /NCLT / Court]	Appe als made , if any
A. Company	NONE				
Penalty					
Punishment					
Compounding					
B. Directors	NONE				

Penalty					
Punishment					
Compounding					
C. Other Officers in default	NONE				
Penalty					
Punishment					
Compounding					

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
MICROSE INDIA LIMITED**



Shyam Sunder Agrawal
Director
DIN: 00355837
Address: 204, Tahnee Heights,
Chs Ltd, Nepeansea Road, Mumbai - 400 006



Saurabh Garg
Director
DIN: 00376890
Address: 204, Tahnee Heights
Nepeansea Road,
Mumbai - 400 006

ANNEXURE II

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy:

During FY 2015-16, India's GDP grew by 7.6%, making it one of the fastest growing major economies in the world. The investment cycle in India is showing positive growth and consumption expenditure is improving. This growth is likely to be sustainable on the back of the Government's focus on industrial activities, infrastructure development and ease of doing business.

Industry Structure and Developments:

The news on the Indian Economy is mixed. Banks like Credit Suisse and Deutsche Bank have downgraded the Indian market and have flagged global investors over India's slower than expected reform process. By the end of fiscal 2016, the sentiment seemed to have turned negative, reflecting perhaps excessive optimism about the pace of reform and therefore the potential rate of growth of the economy and corporate profitability in the immediate aftermath of the 2014 elections.

In India, investment opportunities are huge. The Government's focus is on development and inclusive growth. With seamless execution, focus on process improvement, providing end to end solutions to customer and quality operation, the company continues to deliver in its focus areas of investment activities.

Opportunities and Threats:

The Government of India has set up Invest India as the national investment promotion and facilitation agency under the initiative. In addition, a full-fledged Investment Facilitation Cell has been set-up primarily to support all investment queries as well as to handhold and liaise with various agencies on behalf of potential investors.

The primary reason for growth in the investment industry can be attributed to increasing trade reforms in Government Policy, increased Government spending on investment sector and rise in domestic consumption. The change in the political and social conditions,

the monetary and interest rate policies of India and other countries have also helped in maintaining the momentum in the investment activities of the Company. The management is focus on overall growth of the Company.

Constant fluctuations due to interest rate fluctuations, downstream in business cycle, economic recession and other economic factors which are beyond the control has placed some threat on the Company policies in investment decisions. Frequent updates in regulatory market and law are constant challenge for smooth operations of the Company. Further, opportunities bring itself competition. The different levels of competition have led to the price cutting as well.

Segment-wise or product-wise performance:

As compared to the previous reporting period, there is decrease in the income of the company in the current reporting period.

The Company, with superior methodologies and improved process and systems, will focus on positioning the revenues and lead towards high growth path in future.

The Company is only operating in one segment.

Outlook, Risks and Concerns:

Some economists are of the view that the Indian Economy on the whole is doing fine, but there are risks to global growth which can slowdown more which is bound to affect India. The current government which is at its mid-point has a critical task of implementing the announced reforms during 2016-17.

There are several opportunities for the sector and the outlook for the coming months will continue to remain positive.

Internal control systems and their adequacy:

Your Company ensures that appropriate risk management limits, control mechanisms and mitigation strategies are in place through its efficient and effective Internal Control System and the same completely corresponds to its size, scale and complexity of operations. The Company strives to put several checks and balances in place to ensure that confidentiality is maintained. Effective procedures and mechanisms are rolled out by a full-fledge Internal Audit System to ensure that the interest of the Company is safeguarded at all

times. In addition to this, the Risk Assessment policy of the organization is reviewed on a quarterly basis by the Audit Committee / Board of Directors of your Company.

Discussion on financial performance with respect to operational performance:

Total income achieved during the year under review is INR. 598,581/- as against INR. 916,155/- in the previous year. After providing for taxation of INR. 46,000/- and deferred tax assets of INR. 1,747/- the net profit of the Company is INR. 554,328 as against the profit after tax of INR. 768,247/- in the previous year.

Cautionary Statement:

Your Company endeavors to perform and attempt to deliver the best at all times. However, the statements made in this report describing the Company's objectives, expectations or predictions shall be read in conjunction with the government policies as issued and amended from time to time, the micro as well as macro economic scenario prevailing at that time, global developments and such other incidental factors that may extend beyond the control of the Company and Management. Keeping this in view, the actual results may materially vary from those expressed in the statement.

Material developments in Human Resources / Industrial Relations front, including number of people employed:

The Company is committed in ensuring that the work environment at all its locations is conducive to fair, safe and harmonious relations between employees. Company strongly believes in maintaining the dignity of all its employees, irrespective of their gender or seniority. Discrimination and harassment of any type are strictly prohibited.

ANNEXURE – III

Nomination and Remuneration Policy

1 .Purpose of the Policy:

The Nomination and Remuneration Committee (**“Committee”**) of the Company and this Policy shall be in compliance with the provisions of Section 178 of the Companies Act, 2013.

The Policy is framed with the objective(s):

1. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the working potential of all the Directors and Key managerial Personnel (KMP) of the Company;
2. To ascertain that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
3. To ensure that the remuneration to Key Managerial Personnel (KMP) of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
4. To lay down criteria with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Key Managerial positions and to determine their remuneration;
5. To determine remuneration based on the Company’s size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
6. To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company’s operations; and

7. To lay down criteria for appointment, removal of directors and Key Managerial Personnel and evaluation of their performance.

2. Definitions:

- 2.1 **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2 **Board** means Board of Directors of the Company.
- 2.3 **Directors** mean Directors of the Company
- 2.4 **Policy or this Policy** means, "Nomination and Remuneration Policy."
- 2.5 **Key Managerial Personnel** means
 - 2.5.1. Chief Executive Officer or the Managing Director or the Manager;
 - 2.5.2. Whole-time director;
 - 2.5.3. Chief Financial Officer;
 - 2.5.5. such other officer as may be prescribed.

3. ROLE OF COMMITTEE

3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee.

The Committee shall:

- 3.1.1 Identify persons who are qualified to become Directors and Key Managerial Personnel (KMP) who may be appointed in accordance with the criteria laid down.
- 3.1.2 Recommend to the Board appointment and removal of Directors and KMP and shall carry out evaluation of every director's performance.

- 3.1.3 Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.4 Recommend to the Board a policy, relating to the remuneration for the Directors and Key Managerial personnel and other employees.
- 3.1.5 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and Key Managerial Personnel and such other factors as the Committee shall deem appropriate.
- 3.1.6 Make independent/ discreet references, where necessary, well in time to verify the accuracy of the information furnished by the applicant.

3.2. Policy for appointment and removal of Director and Key Managerial Personnel (KMP)

3.2.1. Appointment criteria and qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and Key Managerial Personnel and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Criteria for Remuneration to Directors, Key Managerial Personnel and Senior Management:

- (a) Performance:** The Committee shall while determining remuneration ensure that the performance of the Director and Key Managerial Personnel and their commitment and efficiency is constructive and beneficial in generating commercial for the Company.
- (b) Responsibilities and Accountability:** The roles and responsibilities towards the organisation and the position of the Director and Key Managerial Personnel shall be formerly evaluated to fix the remuneration.
- (c) Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- (d) Flexibility:** The Remuneration payable shall be flexible to meet both the needs of individuals and those of the Company while complying with relevant tax and other legislation.
- (e) Affordability and Sustainability:** The remuneration payable is affordable and on a sustainable basis.

3.2.3. Remuneration to Directors and Key Managerial Personnel:

The Committee shall ensure that the Remuneration payable to Key Managerial Personnel shall be paid after complying with the provisions of Section 197 and Schedule V and such other applicable provisions of the Companies Act, 2013.

3.2.4. Term / Tenure

- a) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of

a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

3.2.5. Evaluation

The Committee shall carry out evaluation of performance of every Director and KMP at regular interval (yearly).

3.2.6. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director and Key Managerial Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.7. Retirement

The Director and Key Managerial Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director and Key Managerial Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3 Policy relating to the Remuneration for the Whole-time and Director.

3.3.1. General

- a) The remuneration / compensation / commission etc. to the Whole-time Director, and Key Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company, wherever required.
- b) In determining the remuneration of Whole-time Director and Key Managerial Personnel the Committee should consider among others:
 - Conducting benchmarking with companies of similar type on the remuneration package;
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - Clear linkage of remuneration and appropriate performance benchmarking; and
 - Remuneration involves a balance between fixed and incentive pay reflecting short and long-term performance objectives to the working of the Company and its goals.
- c) Increments including bonuses, incentive and other rewards to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be approved by the Shareholders of the Company and/or Central Government, wherever required.

3.3.2. Remuneration to Non- Executive / Independent Director

The Non- Executive / Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof.

4. Membership

- 4.1 Members of the Committee shall be appointed by the Board with a minimum of three Non-Executive Directors out of which not less than one-half shall be Independent Director.
- 4.2 The Chairman of the Committee shall be elected from members amongst themselves who shall be an Independent Director. In the absence of the Committee's Chairman, the remaining members present shall elect one of themselves to chair the meeting.
- 4.3 Only members of the Committee have the right to attend and vote at the Committee meetings and any other person required to attend the meeting will have no right to vote.
- 4.4 The Chairperson of the Committee or, in his absence, any other member of the Committee authorised by him in this behalf shall attend the general meetings of the Company.

5. Frequency of the meetings

The Committee shall meet at such times so as to enable it to carry out its powers, functions, roles & responsibilities.

6. Committee Members' Interests

- 6.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 6.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. Minutes of Committee Meeting

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

ANNXURE IV

VIGIL MECHANISM / WHISTLE BLOWER POLICY

PREFACE/ INTRODUCTION:

- Microse India Limited (hereinafter referred to as 'MICROSE' or "the Company" is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics and to full and accurate disclosures. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- The purpose of this mechanism is to eliminate and help to prevent malpractices, to investigate and resolve complaints, take appropriate action to safeguard the interests of the Company and to ensure that any person making a complaint (referred to as "a whistleblower") is protected, while at the same time actively discouraging frivolous and insubstantial complaints. Company shall oversee the vigil mechanism through Audit committee and if any of the members of the committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.

SCOPE OF VIGIL MECHANISM:

- To act as an additional internal element of the Company's compliance and integrity policies.
- Not a substitute for other formal internal arrangements and procedures.
- Seeks to ensure that anyone who is aware (director or employee of the company) of a breach of Company policies and procedures, suspected or actual frauds and embezzlement, illegal, unethical behavior or violation of company's code of conduct or ethics etc., feels free to bring this to the attention of appropriate personnel in the Company, without fear of victimization, harassment or retaliation.

Definitions:

- a. **"Act"** means the Companies Act, 2013 read with relevant rules; as amended from time to time;
- b. **"Audit Committee"** means the Audit Committee of Directors constituted by the Board of Directors in accordance with Section 177 of the Companies Act 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges and charged with oversight of financial reporting and disclosure.
- c. **"Board"** or **"Board of Directors"** in relation to this policy means the collective body of the Directors of the Company.
- d. **"Code"** means The Code of Conduct for Directors and Senior Management Personnel adopted by the Company.
- e. **"Disciplinary Action"** means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- f. **"Employee"** means all the present employees and Whole-time Directors of the Company (whether working in India or abroad).
- g. **"Whistleblower"** means an Employee or Director making a protected disclosure under this Policy.
- h. **"Protected disclosure"** means any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the Company and should be factual and not speculative.
- i. **"Subject"** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- j. **"Vigilance and Ethics Officer"** means an officer appointed to receive protected disclosures from Whistle Blower, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

Scope:

- To act as an additional internal element of the Company's compliance and integrity policies.
- Not a substitute for other formal internal arrangements and procedures.
- Seeks to ensure that anyone who is aware (director or employee of the company) of a breach of Company policies and procedures, suspected or actual frauds and embezzlement, illegal, unethical behavior or violation of company's code of conduct or ethics etc., feels free to bring this to the attention of appropriate personnel in the Company, without fear of victimization, harassment or retaliation.

Eligibility:

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning to the Company.

Disclosure:

The information on suspected wrongful conduct should be of such information which is intended to cover serious concerns that could have large impact on the Company such as actions that:

- Abuse of Authority;
- Breach of contract;
- Negligence causing substantial and specific danger to public health and safety;
- Manipulation of company data/records;
- Financial irregularities, including fraud, or suspected fraud;
- Criminal offence;
- Pilferation of confidential/propriety information;
- Deliberate violation of law/regulation;
- Wastage/misappropriation of company funds/assets;
- Breach of employee Code of Conduct or Rules;
- Any other unethical, biased, favored, imprudent event; and

- Amount to serious improper conduct, including any kind of harassment (sexual or otherwise).

The above list is only illustrative and should not be considered as exhaustive.

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues. Protected Disclosure will be appropriately dealt with by the Ethics Counselor or the Chairman of the Audit Committee, as the case may be.

Investigation:

- Whistle Blower can make Protected Disclosure to Vigilance and Ethics Officer, as soon as possible after becoming aware of the suspected or actual frauds and embezzlement, illegal, unethical behavior or violation of company's code of conduct or ethics etc.
- Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
- If initial enquiries by the Vigilance and Ethics Officer indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the basis for such dismiss will be recorded and such decision will be documented.
- Where initial enquiries indicate that further investigation is necessary, this will be carried through either by Vigilance and Ethics Officer alone, or along with any other person authorised by the Chairman of Audit Committee.
- Chairman of the Audit Committee/ Vigilance and Ethics Officer, will decide the process of investigation as deemed appropriate where protected disclosures are received.
- The contact details of the Chairman of the Audit Committee of the Company are as under:

Mr. Gajendra Nath Chaturvedi
Chairman- Audit Committee

Address : 421 MAKER CHAMBER V, NARIMAN POINT, MUMBAI- 400021

- The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- The investigation shall be completed normally within 90 days of the receipt of the Protected Disclosure and is extendable by such period as the Vigilance and Ethics Officer /Chairman of the Audit Committee deems fit.

Protection for whistleblower:

- No unfair treatment will be meted out to a Whistle blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. Complete protection will, therefore, be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle blower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle blower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle blower to receive advice about the procedure, etc.
- A Whistleblower may report any violation of the above clause to the Chairman of the Audit Committee or Vigilance and Ethics Officer, who shall investigate into the same and recommend suitable action to the management.
- The identity of the Whistle blower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Vigilance and Ethics Officer /

Chairman of the Audit Committee (e.g. during investigations carried out by Investigators).

- Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

Disqualifications:

- While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.
- Whistleblowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable for disciplinary action under the Company's Code of Conduct besides being disqualified from reporting further Protected Disclosures. In case of repeated frivolous complaints being filed by a Whistle Blower, the Audit Committee or Vigilance and Ethics Officer may take suitable action against such person including reprimand.

Secrecy/Confidentiality:

The Whistleblower, Vigilance and Ethics Officer, Chairman of the Audit Committee, Members of Audit Committee, subjects, any of the Investigators and everybody involved in the process shall maintain confidentiality of all matters under this policy, discuss only to the extent or with those person as required under this policy for completing the process of investigations and keep the papers in safe custody.

Decision:

The decision of the Vigilance and Ethics Officer or Chairman of the Audit Committee should be considered as final and no challenge against the decision would be entertained, unless additional information becomes available.

Reporting:

A regular report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

Right To Amendment:

The Company holds the right to amend or modify the policy. Any amendment or modification of the policy would be done by an appropriate authority as mandated in law. The modified Vigil mechanism would be shared with the employees in writing, in absence of which the same shall not be binding on the employees and the Directors.

AKASH JAIN

Practicing Company Secretary

B-6 Shalimar Encalve, Kamla Nagar, Agra, Uttar Pradesh

Email: cs.akashjain@gmail.com Mob.: +91 9997807272



SECRETARIAL AUDIT REPORT

(For the Company's Financial Year from 1st April 2015 to 31st March 2016)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
MICROSE INDIA LIMITED
421, MAKER CHAMBER-V,
NARIMAN POINT, MUMBAI - 400 021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MICROSE INDIA LIMITED** ("The Company") CIN L32201MH1988PLC152404 for the audit period covering the financial year ended on **31st March, 2016**. 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.

I report that

- a) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate board process and compliance management system, commensurate to the size of the company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers and agents of the company during the said audit.
- b) I have followed the audit practices and process as were appropriate, to the best of our understanding to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- c) I have checked the board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the board of the members of the company and of other authorities, as per the provisions of Companies Act 2013 and of various statutes as referred in the aforesaid secretarial audit report.
- d) Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) 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 procedure on test basis.
- f) 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.



Based on my verification of the 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, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 2016 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. The following Acts Regulations and Guidelines, to the extent applicable, 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;
 - c) 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;
- V. The Securities and Exchange Board of India (Stock Brokers & Sub-Brokers) Regulations 1992 except those provisions and guidelines, circulars, master circulars and directions issued by the Securities and Exchange Board of India or the Stock Exchanges and applicable to the Company as stock broker relating to its day-to-day operations in the ordinary course of business
- VI. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (There were no External Commercial Borrowing and Overseas Direct Investment, hence, compliance requirements for the same are "Not Applicable" for the year under the review. There were no instances of Foreign Direct Investment received during the year.)
- VII. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- VIII. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under the review company has complied with the provisions of Acts, Rules, Regulations, Guidelines, Standards, etc mentioned above.

We have not examined compliance by the company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by the statutory auditors and other designated professionals.



AKASH JAIN

Practicing Company Secretary

B-6 Shalimar Encalve, Kamla Nagar, Agra, Uttar Pradesh

Email: cs.akashjain@gmail.com Mob.: +91 9997807272



During the period under review, provisions of the following regulations were not applicable to the Company:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 .
- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

With reference to the compliance of Industry Specific Acts of the company, the company being a NBFC Company, they need to ensure relevant provisions and process on periodical basis. In this regard, I have relied upon Management Representation issued to me and also report of Statutory and Internal Auditors. My report of compliance would be limited to their reporting and subject to the observations and comments made by them in their report, if any. I believe that the Audit evidence which I have obtained is sufficient and appropriate to provide a basis for my audit opinion. In my opinion and to the best of the information and according to explanations given to me, I believe that the compliance management system of the Company is adequate to ensure compliance of laws, rules, regulations and guidelines etc specifically applicable to the Company.

I further report that:

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

Adequate notices alongwith agenda & detailed notes are given to all directors 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. Decisions at the Board Meetings, as represented by the management, were duly taken on the basis on majority as recorded in the Minutes of the meetings of the Board of Directors.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

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

I further report that during the period under review, I have following observations:

- The Company had not appointed the Company Secretary as required as per section 203 of the Companies Act, 2013 read with Regulation 16 of the Securities and Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. However Management of the company informed that all necessary efforts have been made to filling-up the vacancy but No suitable candidate reported to the company during the period under review.



AKASH JAIN
3

AKASH JAIN
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- I further report that as per Regulation 15 of The Securities and Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the company.
- The Company has been registered as NBFC (Non-Banking Financial Company) under Section 45IA of the Reserve Bank of India Act, 1934. As per the information search out at the website of the Reserve Bank of India, as on date of this report, the NBFC (Non-Banking Financial Company) status of the company is not traceable. Hence, I am not able to form an opinion as to whether the said non-traceable status was also applicable on the company during the period under scrutiny, or not.

For Akash Jain,
Company Secretaries


Akash Jain
Proprietor

ACS: 22735 C.P.: 9432

Place : Agra

Date : 25/05/2016





Chunnilal & Company

Chartered Accountants

A/102, SHREEJI KIRAN C.H.S. LTD., OPP. DWARKADHISH TEMPLE, TEJPAL ROAD, VILE PARLE (EAST), MUMBAI - 400 057.
TEL.: OFF.: 26166811 / 22 / 28042250 • Email : admin@chunnilalandco.com

Independent Auditor's Report

To,

The Members of
Microse India Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of **MICROSE INDIA LIMITED**("the Company"), which comprise the Balance Sheet as at **31st March, 2016**, the Statement of Profit and Loss and Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





Auditor's Responsibility

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

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

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 misstatement.

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. 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its Profit and Loss and Cash Flow 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"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31/03/2016 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2016 from being appointed as a director in terms of Section 164 (2) of the Act.





Chunnilal & Company

Chartered Accountants

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- There were no pending litigations which would have impacted the financial position of the Company.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chunnilal & Company
Chartered Accountants

Firm Registration No. 111537W

CA. Amit C. Choudhary
(Partner)

Membership No.: 133849

Place: Mumbai

Date: 30th May, 2016





"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

c) The Company does not hold any immovable property.
- 2) As explained to us, the inventory has been physically verified during the year by the management at reasonable intervals and no material discrepancies noticed on physical verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has not given any guarantee and security during the year under section 185 and 186 of the Companies Act, 2013. However, Company has made investment within the limit specified under section 186 of the Companies Act.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State





Chunnilal & Company

Chartered Accountants

Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has not been paid or provided. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable to the Company and hence not commented upon.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.





Chunnilal & Company

Chartered Accountants

- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) The company is registered under section 45IA of the Reserve Bank of India Act, 1934 and has availed the NBFC certificate.

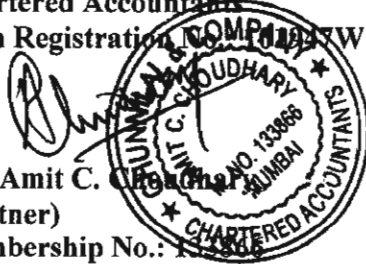
For Chunnilal & Company
Chartered Accountants

Firm Registration No. COMP/1997/W

CA. Amit C. Chaudhary
(Partner)
Membership No.: 111886

Place: Mumbai

Date: 30th May, 2016





Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Microse India Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.





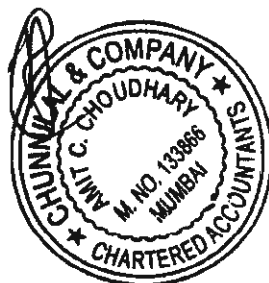
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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.

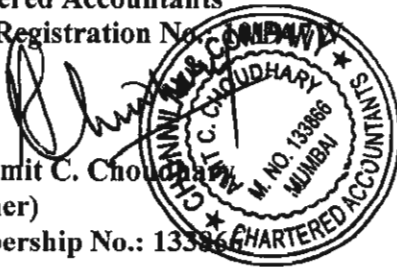
For Chunnilal & Company
Chartered Accountants
Firm Registration No. 13386

CA. Amit C. Choudhary
(Partner)

Membership No.: 13386

Place: Mumbai

Date: 30th May, 2016



MICROSE INDIA LIMITED

Balance Sheet as at 31st March, 2016

Particulars		Note No.	31/03/2016 (In Rupees)	31/03/2015 (In Rupees)
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
Share capital	3		21,641,000	21,641,000
Reserves and surplus	4		175,026	(478,648)
			21,816,026	21,162,352
2 Non -Current Liabilities				
Deferred tax Liabilities (Net)	5		162	1,909
3 Current liabilities				
Short- term Borrowing	6		13,656,280	11,898,770
Trade payables	7		4,551,061	396,057
Other current liabilities	8		20,000,000	20,000,000
Short-term provisions	9		46,000	150,000
			38,253,341	32,444,827
Total:-			60,069,529	53,609,088
II. ASSETS				
1 Non-current assets				
Fixed assets				
Tangible assets	10		2,188	8,315
Non-current investments	11		3,448,875	4,048,875
			3,451,063	4,057,190
2 Current assets				
Inventories	12		15,964,236	29,969,663
Trade Receivables	13		40,279,311	19,377,402
Cash and cash equivalents	14		232,281	170,244
Short-term loans and advances	15		1,279	5,673
Other current assets	16		141,359	28,916
			56,618,466	49,551,898
Total:-			60,069,529	53,609,088

Corporate information's and significant accounting policies

See the accompanying notes forming part of the financial statement 1&2

As per our report attached

For Chunnilal & Company

Chartered Accountants

(Firm Reg.no.101927W)

C.A. Amit Choudhary

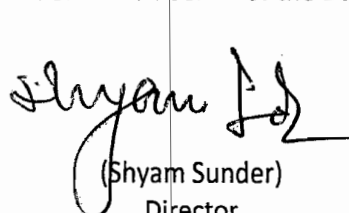
Partner

Mem.no.133866


Place:Mumbai

Date: 30/05/2016

For and on behalf of the Board of Directors


(Shyam Sunder)
Director

DIN:00355837


(Saurabh Garg)
Director

DIN:376890

MICROSE INDIA LIMITED

Statement of Profit and loss for the year ended 31st March,2016

Particulars		Note No.	31/03/2016 (In Rupees)	31/03/2015 (In Rupees)
I. INCOME				
Revenue from operation		17	36,069,648	90,002,120
Other income		18	396,022	220,604
Total Receipts :-			36,465,670	90,222,724
II. EXPENSES:				
Purchase of Traded Goods (Shares)		19	19,532,324	89,169,715
(Increase) / Decrease in Inventories of Goods		20	14,005,427	(2,181,829)
Employee Benefit Expenses		21	695,248	745,293
Finance Cost (Interest Paid)			1,013,991	1,107,945
Depreciation			-	7,693
Other Expenses		22	620,099	457,752
Total expenses:-			35,867,089	89,306,569
Profit (Loss) before tax			598,581	916,155
Less : Provision for Tax			46,000	150,000
Profit after Tax			552,581	766,155
Add : Deferred tax			1,747	2,092
Profit (Loss) for the period			554,328	768,247
Earnings per equity share:				
(1) Basic			0.18	0.26
(2) Diluted			0.18	0.26

Corporate information's and significant accounting policies
See the accompanying notes forming part of the 1&2
financial statement

As per our report attached

For Chunnilal & Company

Chartered Accountants

(Firm Reg.no.105097W

MUMBAI

CHARTERED ACCOUNTANTS

C.A. Amit Choudhary

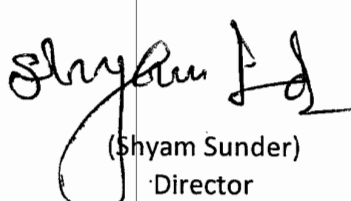
Partner

Mem.no.133866

Place:Mumbai

Date: 30/05/2016

For and on behalf of the Board of Directors


(Shyam Sunder)
Director
DIN:00355837


(Saurabh Garg)
Director
DIN:376890

MICROSE INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

1. General Corporate Information:

M/s. Microse India Limited (the company) is a limited company domiciled in India and incorporated under the companies Act 1956.

2. Significant Accounting Policies:

1. Basis Of Accounting:

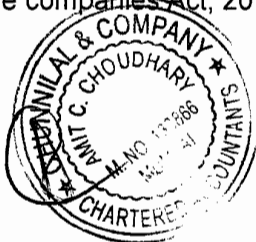
The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Act. The financial statements have been prepared on an accrual basis and under the historical convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy as explained below.

2. Use Of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Fixed Assets and Depreciation:

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including repairs and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Depreciation on Fixed Assets has been provided on "Straight Line Method" as per Schedule II of the companies Act, 2013.



4. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

5. Revenue recognition

Revenue is recognized 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:

Income from trading in securities and derivatives comprises profit/loss on sale of securities held as stock-in-trade and profit/loss on related derivative instruments. Sales and Purchase would include expenses which are included as a part of the contract wherever applicable.

Dividends

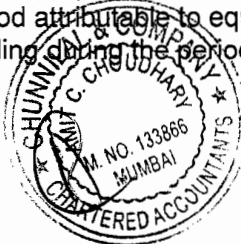
Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

Interest

Interest on investments and bank deposits are recognized on a time proportion basis taking into account the amounts invested and the rate applicable.

6. 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 equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



7. **Income Tax**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting 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 income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred 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.

8. **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.

9. **Cash and Cash Equivalent**

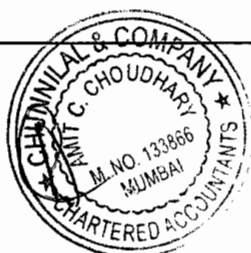
Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash/ cheques/ drafts on hand and short term investments with an original maturity of three months or less.



MICROSE INDIA LIMITED

Notes to financial statements for the year ended 31st March,2016.

PARTICULARS	31/03/2016 (In Rupees)		31/03/2015 (In Rupees)	
3. SHARE CAPITAL				
AUTHORISED				
3050000 Equity Shares of Rs.10/- each	30,500,000		30,500,000	
	30,500,000		30,500,000	
ISSUED, SUBSCRIBED & PAID UP CAPITAL				
1362400 (1362400) Equity Shares of Rs 10/- each	21,641,000	13,624,000	21,641,000	
Fully Paid up				
1640600 (1640600) Equity Shares of Rs 10/- each	8,203,000	8,203,000		
Rs.5/- Paid up.				
Less : Allotment Money in arrears	(186,000)			
	21,641,000		21,641,000	
The Company has issued only one class of shares referred to as equity shares having face value of 10/- Each holder of equity shares is entitled to one vote per share.				
Details of shareholders holding more than 5% shares of the company				
Equity share of Rs 10/-each fully paid	31-Mar-2016		31-Mar-2015	
	No of shares	% of holding	No of shares	% of holding
Atirek Garg	245100	8.16%	245100	8.16%
4. RESERVE & SURPLUS				
General Reserve account				
As per the last Financial statements	1,385,970		1,385,970	
Surplus / (Deficit) in the statement of Profit & Loss				
As per the last Financial statements	(1,864,618)		(2,632,865)	
Add / (Less) : Profit for the year	554,328		768,247	
Add / (Less) : Adjustment of Depreciation	(6,127)		-	
Add / (Less) : Adjustment of Taxation	105,473		-	
	(1,210,944)		(1,864,618)	
	175,026		(478,648)	
5. DEFERRED TAX LIABILITIES (NET)				
Deferred tax Liability of earlier year	1,909		4,001	
Less : Deferred Tax Assets for the year	1,747		2,092	
	162		1,909	
Loans and Advances				
6. UNSECURED SHORT TERM BORROWINGS	13,656,280		11,898,770	
	13,656,280		11,898,770	
7. TRADE PAYABLES				
Sundry Creditors	4,551,061		396,057	
	4,551,061		396,057	



MICROSE INDIA LIMITED

Notes to financial statements for the year ended 31st March,2016.

PARTICULARS	31/03/2016 (In Rupees)	31/03/2015 (In Rupees)
8. OTHER CURRENT LIABILITIES		
Sundry Deposits	20,000,000	20,000,000
	20,000,000	20,000,000
9. SHORT-TERM PROVISIONS		
Provision for Income tax (net of tax paid)	46,000	150,000
	46,000	150,000

10. TANGIBLE ASSETS

NAME OF ASSETS	Gross Block			Depreciation				Net Block		
	As At 01/04/2015	Adjustment	As At 31/03/2016	As At 01/04/2015	Adjustment	For the Year	Adjustment	As At 31/03/16	As At 31/03/2016	As At 31/03/2015
1.Computer & Printer	284,700	-	284,700	276,385	6,127	-	-	282,512	2,188	8,315
2.Furniture & Fixture	11,200	-	11,200	11,200	-	-	-	11,200	-	-
3.Camera	1,500	-	1,500	1,500	-	-	-	1,500	-	-
Total	297,400	-	297,400	289,085	6,127	-	-	295,212	2,188	8,315
Previous Year	297,400	-	297,400	281,392	-	7,693	-	289,085	8,315	16,008

11. NON CURRENT INVESTMENTS

INVESTMENTS : LONG TERM (AT COST)

QUOTED AT COST

7400 Equity shares of Marnite Polycast Ltd of Rs.10/-each fully paid up (Market value as at 31/03/16 and at 31/03/15 is not available)	74,000	74,000
10000 Equity shares of Mideast Integrated Steel Ltd of Rs.10/- each fully paid up (Market value as at 31/03/16 and at 31/03/15 is not available)	200,000	200,000
100 Equity shares of Oriental Bank of Commerce Ltd. of Rs.10/- each fully paid up (Market value as at 31/03/16 is Rs.9,165/- and at 31/03/15 is Rs.20,470/-)	6,000	6,000
1333 Equity shares of Parental Drugs (India) Ltd. of Rs.10/- each fully paid up (Market value as at 31/03/16 is Rs.54,253/- and at 31/03/15 is Rs.24,527/-)	45,000	45,000
2850 Equity shares of Suzuki Textiles Limited of Rs.10/- each fully paid up (Market value as at 31/03/16 and at 31/03/15 is not available)	142,500	142,500
1600 Equity Shares of N.D.Metal Industries Limited of Rs.10/- each fully paid up (Market value as at 31/03/16 and at 31/03/15 is not available)	77,800	77,800
50000 Equity shares of Shrishma Fin.Chemicals Ltd. of Rs.10/- each fully paid up (Market value as at 31/03/16 and at 31/03/15 is not available)	1,608,750	1,608,750
9700/(29700) Equity shares of Prakash Woolen Mills Ltd. of Rs.10/- each fully paid up (Market value as at 31/03/16 is Rs.1,69,750/- and at 31/03/15 is Rs.6,53,400/-)	294,825	894,825
SBI Magnum Fund (Market Value as at 31/03/16 for 1,00,000 Units are Rs.19,35,600/-) and (as at 31/03/15 for 1,00,000 units are Rs.21,95,900/-)	1,000,000	1,000,000
	3,448,875	4,048,875

MICROSE INDIA LIMITED

Notes to financial statements for the year ended 31st March,2016.

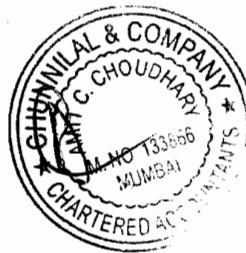
PARTICULARS	31/03/2016 (In Rupees)	31/03/2015 (In Rupees)
12. INVENTORIES (As taken,Value and Certifies by the Management)		
Stock in trade	15,964,236	29,969,663
	15,964,236	29,969,663
13. TRADE RECEIVABLES		
Trade Receivables (Less than Six months)	24,178,052	3,276,143
others	16,101,259	16,101,259
	40,279,311	19,377,402
14. CASH & CASH EQUIVALENTS		
Cash on hand	209,070	152,621
Balance with bank		
in current accounts	23,211	17,623
	232,281	170,244
15. SHORT-TERM LOANS & ADVANCES (Unsecured, considered good)		
Advance recoverable in cash or kind,or for any to be received	1,279	5,673
	1,279	5,673
16. OTHER CURRENT ASSETS (Unsecured, Considered Good)		
Income Tax refund receivable / Mat available	141,359	28,916
	141,359	28,916
17. REVENUE FROM OPERATION		
Sale of Shares	36,059,710	89,961,189
Speculation Profit	9,938	40,931
	36,069,648	90,002,120
18.OTHER INCOME		
Long Term Capital Gain	-	37,123
Dividend Received	396,022	183,481
	396,022	220,604
19. PURCHASE OF TRADED GOODS		
Purchase of Shares	19,532,324	89,169,715
	19,532,324	89,169,715
20. INCREASE(DECREASE)IN STOCK		
Inventories at the beginning of the year	29,969,663	27,787,834
Inventories at the end of the year	15,964,236	29,969,663
	14,005,427	(2,181,829)
21. EMPLOYEE BENEFIT EXPENSES		
Salary & Bonus	685,403	737,274
Staff Welfare	9,845	8,019
	695,248	745,293



MICROSE INDIA LIMITED

Notes to financial statements for the year ended 31st March,2016.

PARTICULARS	31/03/2016 (In Rupees)	31/03/2015 (In Rupees)
22.OTHER EXPENSES		
Advertisement Expenses	-	1,466
Rent	78,000	72,000
Professional Fee	167,904	135,422
Conveyance Expenses	10,706	13,995
Telephone Charges	4,232	2,957
Audit Fee	40,075	28,090
Printing & stationery	10,220	7,665
Listing Fee	235,025	131,460
Filing Fee	4,368	8,661
Bank Charges	605	725
Share Transaction Charges	4,068	8,345
Business Service Charges	24,000	24,000
Computer Maintenance	-	7,500
Long Term Capital Loss	22,556	-
Postage & Courier Charges	3,430	4,681
General Expenses	14,910	10,785
	620,099	457,752



23. NOTES ON ACCOUNTS:-

- In the opinion of the Board of Directors the aggregate value of Current Assets and Loans & Advances on realization in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet. The provisions of all known liabilities are adequate and reasonable.
- Valuation of Investments, for Non Current long term investments has been carried on at cost, however as mentioned some shares are non traded in market which are listed in stock exchange and some shares are non listed, therefore it is difficult to ascertain its realizable value.

➤ RELATED PARTY:

<u>Particulars</u>	<u>Name</u>	<u>Relationship</u>
Key Management Personnel	Shyam Sunder	Director
Partnership Firm	City Land and Housing LLP	Associate Concern

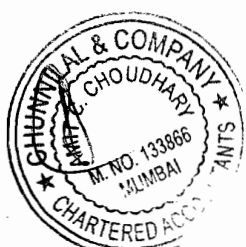
<u>Transactions</u>	<u>Partnership Firm</u>		<u>Key Management</u>	
	<u>C.Y.</u>	<u>P.Y.</u>	<u>C.Y.</u>	<u>P.Y.</u>
Rent Paid			42,000	36,000
Business Service Charges Paid	24,000	24,000		

➤ Auditors' Remuneration:

<u>Particulars</u>	<u>F.Y.2015-16</u>	<u>F.Y.2014-15</u>
Audit Fee	40,075	28,090

➤ Earning per share (EPS):

<u>Basic/ Diluted</u>	<u>2015-16</u>	<u>2014-15</u>
Profit / (Loss) After Tax	5,52,581	7,66,155
No. of shares (Face value Rs.10/-)	30,03,000	30,03,000
Basic/ Diluted EPS in Rs.	0.18	0.26



- Segment Reporting :- The Company considers business segment (business of trading in shares, securities, future and option) as its primary segment.
- Shares held in stock in trade are valued at cost.
- The Figures for previous year have been regrouped / rearranged whenever necessary to confirm to current year's classification.

As per Our report of even date

For Chunnilal & Company
Chartered Accountants

Firm Reg no. 181947VV

(C.A. Amit Choudhary)

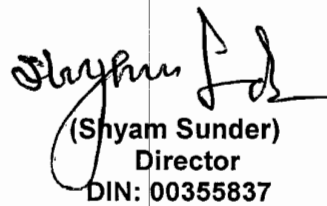
Partner

Mem.no.133866

Place: Mumbai,

Date : 30/05/2016

For and on behalf of the Board Of Directors

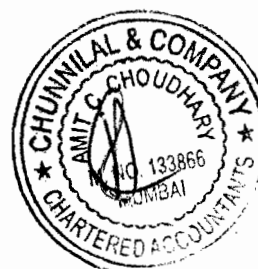

(Shyam Sunder)
Director
DIN: 00355837


(Saurabh Garg)
Director
DIN: 00376890

MICROSE INDIA LIMITED

Cash Flow Statement for the year ended 31st March, 2016

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) available for appropriation after tax	554,328	916,155
Adjustment for:		
Depreciation	-	7,693
Provision for Tax	-	150,000
Deferred Tax	(1,747)	
Interest & Finance Charges debited to Profit and Loss account	1,013,991	1,107,945
Rental Income received / Other Income / Long term capital Gain	-	37,123
Dividend Received	(396,022)	183,481
Adjustment for Income Tax	105,473	-
Cash from Operating activity before Working Capital change	1,276,023	2,402,397
Adjustment for change in Working Capital		
Increase in Duties & Taxes	-	
Decrease in Inventories	14,005,427	(2,181,829)
Increase in Trade Receivables	(20,901,909)	(456,708)
Increase in Loan & Advances	4,394	(1,301)
Decrease in Trade Liabilities	4,155,004	(755,732)
Increase in Other Current Assets	(112,443)	
Decrease in provisions	(104,000)	(150,000)
NET CASH FROM OPERATING ACTIVITIES (A)	(1,677,504)	(1,143,173)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of investments	600,000	600,000
Income From Investment Activities		(37,123)
Dividend Received	396,022	(183,481)
NET CASH USED IN INVESTING ACTIVITIES (B)	996,022	379,396
CASH FLOW FROM FINANCING ACTIVITIES		
Working Capital Borrowing	-	-
Loan from Body Corporates	1,757,510	1,954,130
Interest & Finance Charges paid	(1,013,991)	(1,107,945)
NET CASH FROM FINANCING ACTIVITIES (C)	743,519	846,185
NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	62,037	82,408
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	170,244	87,836
CASH AND CASH EQUIVALENTS AT END OF YEAR	232,281	170,244
	62,037	82,408



MICROSE INDIA LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	F.Y.2015-16	F.Y.2014-15
A] CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit available for appropriation after tax	554,328	916,155
Adjustment for:		
Depreciation	-	7,693
Provision for Tax/ FBT	-	150,000
Taxation of Earlier Year	105,473	-
Interest & Finance Charges Paid	1,013,991	1,107,945
Interest Income Received	-	37,123
Deferred Tax	(1,747)	-
Dividend Received	(396,022)	183,481
	1,276,023	2,402,397
Adjustment for change in Working Capital		
Inventories	14,005,427	(2,181,829)
Trade and other Receivables	(21,009,958)	(458,009)
Trade Liabilities & Provisions	4,051,004	(905,732)
NET CASH FROM OPERATING ACTIVITIES (A)	(1,677,504)	(1,143,173)
B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-	-
Sale/(Purchase) of investments	600,000	600,000
Income From Investment Activities	-	(37,123)
Dividend Received	396,022	(183,481)
NET CASH USED IN INVESTING ACTIVITIES (B)	996,022	379,396
C] CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short term Borrowing	-	-
Proceeds from Term Loan	-	-
Proceeds from Unsecured Borrowing	1,757,510	1,954,130
Share Issued Expenses Paid	-	-
Interest & Finance Charges paid	(1,013,991)	(1,107,945)
NET CASH FROM FINANCING ACTIVITIES (C)	743,519	846,185
NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	62,037	82,408
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	170,244	87,836
CASH AND CASH EQUIVALENTS AT END OF YEAR	232,281	170,244

As per Report of even date

For CHUNNILAL & COMPANY

Chartered Accountants

Firm Registration No. C-10194730

M. No. 133866

MUMBAI

C.A. Amit C. Choudhary

Partner

M.No. 133866

FOR AND ON BEHALF OF THE BOARD

Shyam Sunder) (Saurabh Garg)
Director Director
DIN:00355837 DIN:00376890

Place : Mumbai

Date : 30/05/2016