

MAXIMAA SYSTEMS LIMITED

26TH ANNUAL REPORT

F. Y. 2015-16



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CORPORATE INFORMATION

Board of Directors

Mr. Manoj Shah, Chairman and Managing Director
Mr. Mayur Shah, Joint Managing Director
Mr. Mahesh Shah, Joint Managing Director
Dr. Milan Desai, Independent Director
Mr. Samirkumar Mapara, Independent Director
Mr. Viral Chitalia, Independent Director
Mrs. Shaila Shah, Women Director

Company Secretary

Ms. Snehal Tondwalkar (Company Secretary and Compliance Officer)

Auditor

M/s. C. D. Khakhkar & Co., Chartered Accountants
103, Tirupati Towers, Opp Heena Arcade,
GIDC Char Rasta,
Vapi – 396195

Principal Bankers

Bank of India

Registrar and Share Transfer Agents

Purva Sharegistry (India) Private Limited,
Unit no. 9, Shiv Shakti Ind. Estt. J.R. Boricha Marg,
Opp. Kasturba Hospital Lane, Lower Parel (E),
Mumbai- 400 011
Ph: 022- 2301 0771/8261
Fax: 022- 2301 2517

Registered Office

B-1, Yashkamal, Tithal Road, Valsad- Gujarat- 396 001 (INDIA)
Ph: 02632- 222 402/403
Fax: 02632- 222 302
Email: cs@maximaasystems.com
Website: www.maximaagroup.com

Corporate office

240-241, Naman Plaza, S.V. Road, Kandivali (W), Mumbai- 400 067 (INDIA)
Ph: 022- 2864 8478, 6516 0300
Fax: 022- 6710 2400

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 26TH ANNUAL GENERAL MEETING OF THE MEMBERS OF MAXIMAA SYSTEMS LIMITED (CIN: L27100GJ1990PLC014129) WILL BE HELD ON FRIDAY, 30TH SEPTEMBER, 2016 AT 9:30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT B-1, YASHKAMAL, TITHAL ROAD, VALSAD-396 001 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. The Audited Financial Statements of the Company for the financial year ended 31st March, 2016, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2016, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Manoj Shah (holding DIN 00016358), who retires by rotation and being eligible, offers himself for re-appointment.
3. **Appointment of Statutory Auditors of the Company**

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

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and read with Companies (Audit and Auditors) Rules, 2014 including any statutory modification, re-enactment and amendments made from time to time, consent of members be and is hereby accorded to appoint M/s. C. D. Khakhkhar & Co. (ICAI Firm Registration No. 141767W), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting until the conclusion of the 31st Annual General Meeting subject to ratification of their appointment at every Annual General Meeting at such remuneration plus service tax, out-of pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors

SPECIAL BUSINESS:

4. **TO APPOINT MRS. SHAILA MANOJ SHAH AS THE WOMEN DIRECTOR OF THE COMPANY:**

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

“RESOLVED THAT pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Shaila Manoj Shah (DIN : 02567402), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who hold office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years for a term up to 31st March, 2021, not liable to retire by rotation.”

5. **RE-APPOINTMENT OF MR. MANOJ SHAH AS THE MANAGING DIRECTOR (HOLDING DIN 00017594), OF THE COMPANY:**

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

“RESOLVED THAT in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and approved by the Remuneration Committee and Board of Directors, the members hereby approves re-appointment of Mr. Manoj Shah, as Managing Director with effect from 07th March, 2016 on terms and conditions including remuneration as set out in Clause A to F below:

A. Period of Appointment: 07th March, 2016 to 06th March, 2021.

B. Salary: 70,000/-

(Increment upto 20% per annum as may be recommended by the Remuneration Committee and approved by the Board of Directors)

C. Perquisites: Perquisites shall be allowed in addition to salary and they shall be restricted to the following:—

Part ‘A’

Housing:

In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) below:

- i. 60% of the salary, over and above 10% payable by the Managing Director;
- ii. In case the accommodation is owned by the Company 10% of the salary of the Managing Director shall be deducted by the Company.

Explanation—

The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income-tax Rules, 1962. This shall however be subject to a ceiling of 10% of the salary of the Managing Director.

Leave Travel Concession: For self and family, once in a year incurred in accordance with the rules of the Company.

Medical Reimbursement: Reimbursement of expenses incurred for self and family subject to a ceiling of one month’s salary in a year or three month’s salary over a period of three years.

Club Fees: Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

Personal Accident Insurance: Premium not to exceed Rs. 10,000 per annum.

Explanation.—“Family” means the spouse, the dependent children and dependent parents of Managing Director. Perquisites as above shall be restricted to an amount equal to the annual salary or Rs. 50,000 per annum, whichever is less.

Part ‘B’

Contribution towards Provident Fund: Company’s contribution to provident fund shall not exceed the extent i.e. not to be taxable under the Income Tax Act, 1962

Gratuity: As per the Rules of the Company, but shall not exceed one-half month’s salary for each completed year of service.

Part 'C'

Conveyance and Telephone: Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

Earned Leave: On full pay and allowances as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service. Leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

D. Commission:

Such amount for each financial year as may be recommended by the Committee and approved by the Board, subject to the minimum of 6 months' salary and maximum of 9 months' salary.

E. Minimum Remuneration:

Where in any financial year during the currency of tenure of the Managing Director the Company has no profits or its profits are inadequate, Mr. Manoj Shah shall be entitled to receive above remuneration including perquisites, commission / performance pay, etc. as minimum remuneration subject to the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be prescribed by Central Government from time to time.

F. Termination:

The appointment is liable for termination by either party giving 6 months' notice in writing to the other'.

RESOLVED FURTHER THAT the terms and conditions of the appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with Schedule V to the Companies Act 2013, other relevant provision of the Companies Act, 2013 and subject to such other modification/amendments made thereunder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by Central Government from time to time."

6. RE-APPOINTMENT OF MR. MAYUR SHAH AS THE JT. MANAGING DIRECTOR (HOLDING DIN 00016358), OF THE COMPANY:

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

"RESOLVED THAT in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and approved by the Remuneration Committee and Board of Directors, the members hereby approves re-appointment

of Mr. Mayur Shah, as Managing Director with effect from 07th March, 2016 on terms and conditions including remuneration as set out in Clause A to F below:

- i. **Period of Appointment:** 07th March, 2016 to 06th March, 2021.
- ii. **Salary:** 70,000/-
(Increment upto 20% per annum as may be recommended by the Remuneration Committee and approved by the Board of Directors)
- iii. **Perquisites:** Perquisites shall be allowed in addition to salary and they shall be restricted to the following:—

Part 'A'

Housing:

In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) below:

- iii. 60% of the salary, over and above 10% payable by the Managing Director;
- iv. In case the accommodation is owned by the Company 10% of the salary of the Managing Director shall be deducted by the Company.

Explanation -

The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income-tax Rules, 1962. This shall however be subject to a ceiling of 10% of the salary of the Managing Director.

Leave Travel Concession: For self and family, once in a year incurred in accordance with the rules of the Company.

Medical Reimbursement: Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

Club Fees: Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

Personal Accident Insurance: Premium not to exceed Rs. 10,000 per annum.

Explanation.—"Family" means the spouse, the dependent children and dependent parents of Managing Director. Perquisites as above shall be restricted to an amount equal to the annual salary or Rs. 50,000 per annum, whichever is less.

Part 'B'

Contribution towards Provident Fund: Company's contribution to provident fund shall not exceed the extent i.e. not to be taxable under the Income Tax Act, 1962

Gratuity: As per the Rules of the Company, but shall not exceed one-half month's salary for each completed year of service.

Part 'C'

Conveyance and Telephone: Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

Earned Leave: On full pay and allowances as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service. Leave accumulated shall be en-cashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

iv. Commission:

Such amount for each financial year as may be recommended by the Committee and approved by the Board, subject to the minimum of 6 months' salary and maximum of 9 months' salary.

v. Minimum Remuneration:

Where in any financial year during the currency of tenure of the Managing Director the Company has no profits or its profits are inadequate, Mr. Mayur Shah shall be entitled to receive above remuneration including perquisites, commission / performance pay, etc. as minimum remuneration subject to the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be prescribed by Central Government from time to time.

vi. Termination:

The appointment is liable for termination by either party giving 6 months' notice in writing to the other'.

RESOLVED FURTHER THAT the terms and conditions of the appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with Schedule V to the Companies Act 2013, other relevant provision of the Companies Act, 2013 and subject to such other modification/amendments made thereunder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by Central Government from time to time."

7. RE-APPOINTMENT OF MR. MAHESH SHAH AS THE JT. MANAGING DIRECTOR (HOLDING DIN 00017559), OF THE COMPANY:

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

"RESOLVED THAT in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and approved by the Remuneration Committee and Board of Directors, the members hereby approves re-appointment of Mr. Mahesh Shah, as Managing Director with effect from 07th March, 2016 on terms and conditions including remuneration as set out in Clause A to F below:

Period of Appointment: 07th March, 2016 to 06th March, 2021.

i. **Salary:** 70,000/-

(Increment upto 20% per annum as may be recommended by the Remuneration Committee and approved by the Board of Directors)

ii. **Perquisites:** Perquisites shall be allowed in addition to salary and they shall be restricted to the following:—

Part 'A'

Housing:

In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) below:

- v. 60% of the salary, over and above 10% payable by the Managing Director;
- vi. In case the accommodation is owned by the Company 10% of the salary of the Managing Director shall be deducted by the Company.

Explanation—

The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income-tax Rules, 1962. This shall however be subject to a ceiling of 10% of the salary of the Managing Director.

Leave Travel Concession: For self and family, once in a year incurred in accordance with the rules of the Company.

Medical Reimbursement: Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

Club Fees: Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

Personal Accident Insurance: Premium not to exceed Rs. 10,000 per annum.

Explanation.—"Family" means the spouse, the dependent children and dependent parents of Managing Director. Perquisites as above shall be restricted to an amount equal to the annual salary or Rs. 50,000 per annum, whichever is less.

Part 'B'

Contribution towards Provident Fund: Company's contribution to provident fund shall not exceed the extent i.e. not to be taxable under the Income Tax Act, 1962

Gratuity: As per the Rules of the Company, but shall not exceed one-half month's salary for each completed year of service.

Part 'C'

Conveyance and Telephone: Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company.

Earned Leave: On full pay and allowances as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service. Leave accumulated shall be encashable at the end

of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

iii. Commission:

Such amount for each financial year as may be recommended by the Committee and approved by the Board, subject to the minimum of 6 months' salary and maximum of 9 months' salary.

iv. Minimum Remuneration:

Where in any financial year during the currency of tenure of the Managing Director the Company has no profits or its profits are inadequate, Mr. Mahesh Shah shall be entitled to receive above remuneration including perquisites, commission / performance pay, etc. as minimum remuneration subject to the provision of Section 197 read with Schedule V to Companies Act, 2013 or as may be prescribed by Central Government from time to time.

v. Termination:

The appointment is liable for termination by either party giving 6 months' notice in writing to the other'.

RESOLVED FURTHER THAT the terms and conditions of the appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with Schedule V to the Companies Act 2013, other relevant provision of the Companies Act, 2013 and subject to such other modification/amendments made thereunder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required within the limits of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by Central Government from time to time."

8. Authority to accept unsecured loan with option to convert into equity

To consider and if thought fit, to pass with or without modification(s), the following resolution as a

Special:-

"RESOLVED THAT pursuant to section 62(3) read with Chapter IV of the Companies (SHARE CAPITAL AND DEBENTURES) Rules, 2014 and all other applicable provisions, if any, of the Companies Act 2013, (including any statutory modification(s) or re-enactment thereof for time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow money from time to time with option of conversion of same in to equity shares of company at such price as may be decided in pursuance of SEBI Regulations/Rules provided the monies so borrowed with option for conversion in to equity shares shall at any time do not exceed Rs.5,00,00,000/- (Five Crores Rupees);

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds,

matters and things (including sub delegating its powers to authorized representatives) as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this Resolution.

9. TO HIVE OFF STORAGE MANUFACTURING DIVISION:

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (corresponding to Section 293(1)(a) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto) and the rules thereunder (collectively the “Act”) and subject to requisite approvals including the approval of all concerned statutory and regulatory authorities and departments, person or persons, if and to the extent necessary and such other approvals, permissions and sanctions as may be required, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include a Committee thereof authorised for the purpose) for selling and / or transferring and / or disposing off the Storage Division of the Company together with/without the movable and immovable assets and with/without liabilities, land and building, leasehold interests, accessories, offices, office equipment, employees, contracts and arrangements, customers, dealers, vendors, all rights thereunder, all intellectual property rights, tangible and intangible assets, business know-how, goodwill, receivables, including all licenses, approvals, and permits of whatsoever nature related to the Storage Division, whether partially or fully, on a going concern basis, whether on a slump sale basis or otherwise, such consideration whether in cash or kind, from such date and on such terms and conditions as the Board may deem fit;

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to, deciding the time when the Storage Division be disposed off / other incidental and ancillary activities thereto, determining such other terms and conditions relevant to the transfer, negotiating and finalising the terms of sale, negotiating, finalising and executing asset purchase agreement(s) / business transfer agreement(s), by whatever name called, such other agreements, deeds, documents, indemnities, contracts, declarations, undertakings, forms, letters and such other papers as may be necessary, desirable and expedient to be agreed, signed and executed, to determine the consideration, to make all such filings and applications for the statutory / regulatory and other approvals as may be required in the manner of selling and / or transferring and / or disposing off the Storage Division of the Company and to complete the aforesaid transaction.”

10. TO HIVE OFF I.T. DIVISION:

To consider and if thought fit, to give ASSENT / DISSENT to the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (corresponding to Section 293(1)(a) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto) and the rules thereunder (collectively the “Act”) and subject to requisite approvals including the approval of all concerned statutory and regulatory authorities and departments, person or persons, if and to the extent necessary and such other approvals, permissions and sanctions as may be required, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include a Committee thereof authorized for the purpose) for selling and / or transferring and / or disposing off the I.T Division of the Company together with/without the movable and immovable assets and with/without liabilities, land and building, leasehold interests, accessories, offices, office equipment, employees, contracts and arrangements, customers, dealers, vendors, all rights thereunder, all intellectual property rights, tangible and intangible assets, business know-how, goodwill, receivables, including all licenses, approvals,

and permits of whatsoever nature related to the I.T Division, whether partially or fully, on a going concern basis, whether on a slump sale basis or otherwise or such consideration whether in cash or kind, from such date and on such terms and conditions as the Board may deem fit;

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to, deciding the time when the I.T. Division be disposed off / other incidental and ancillary activities thereto, determining such other terms and conditions relevant to the transfer, negotiating and finalizing the terms of sale, negotiating, finalizing and executing asset purchase agreement(s) / business transfer agreement(s), by whatever name called, such other agreements, deeds, documents, indemnities, contracts, declarations, undertakings, forms, letters and such other papers as may be necessary, desirable and expedient to be agreed, signed and executed, to determine the consideration, to make all such filings and applications for the statutory / regulatory and other approvals as may be required in the manner of selling and / or transferring and / or disposing off the I.T Division of the Company and to complete the aforesaid transaction.”

By Order Of the Board of Directors
For **MAXIMAA SYSTEMS LIMITED**

Sd/-
Snehal Tondwalkar
Company Secretary

Place: Valsad
Date: 30.07.2016

REGISTERED OFFICE:
B-1, Yashkamal,
Tithal Road,
Valsad-396 001

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF AND SUCH 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 can act as proxy for only 50 members and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. Member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
3. The Register of Members and Share Transfer Books shall remain closed from 24th September, 2016 to 30th September, 2016 (both days inclusive).
4. Members/Proxies are requested to bring duly filled in attendance slips to the meeting. The form of attendance slip is given at the end of this Annual Report.
5. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 8 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 3 of the Explanatory Statement forming the part of the Notice, are also annexed.
6. As part of Green Initiative in Corporate Governance the Ministry of Corporate Affairs (MCA), Government of India vide its Circular has allowed paperless compliances by Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of Section 20 of the Companies Act, 2013. Keeping this in view, shareholders are requested to update their e-mail ID with their DP.
7. Members holding shares in physical form are requested to forward all application for Transfer, Demat, and all other share related correspondence, including intimation of change of address, if any, to the Registrar and Transfer Agents of the Company at the following address:

M/s. Purva Sharegistry (India) Pvt. Ltd.

Unit :Maximaa Systems Limited

No. 9 Shiv Shakti Industrial Estate, Gound Floor,

J.R. BorichaMarg, Opp. Kasturba Hospital, Lower Parel, Mumbai 400 011.

8. Members may please note that, Securities and Exchange Board of India (SEBI) has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in securities market, irrespective of the amount of such transactions. SEBI has mandated that for securities market transactions involving transfer of shares in physical form, it shall be necessary for the transferee(s) to furnish copy of PAN card to the Company / Share Transfer Agent for registration of such transfer of Shares.
Members may please note that, SEBI has also made it mandatory for submission in the following cases, viz (i) Deletion of the name of the deceased shareholder(s); (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.
9. **Voting through electronic means:**
 - a. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

- b. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 26th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.
- c. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
- d. The Company has appointed Shri Kunjal Dalal, Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
- e. The instructions to members for voting electronically are as under:-

A. In case a Member receives an e-mail from NSDL (for Members whose email addresses are registered with the Company / Depositories):

- i. Open the e-mail and also open PDF file, namely, "Maximaa e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
- iii. Click on Shareholder – Login
- iv. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vi. Once the e-voting home page opens, click on e-Voting> Active Voting Cycles.
- vii. Select "EVEN" (E-voting Event Number) of Maximaa Systems Limited which is 105420. Now you are ready for e-voting as Cast Vote page opens.
- viii. Cast your vote by selecting the appropriate option and click on "Submit" and also "Confirm" when prompted.
- ix. Upon confirmation, the message "Vote cast successfully" will be displayed.
- x. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.
- xi. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution and / or Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to maximaa.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in.
- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

B. In case a Member receives physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company / Depositories):

- i. Initial password is provided in the enclosed ballot form: EVEN (E-voting Event Number) + USER ID and PASSWORD;
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

C. Other Instructions:

- i. The e-voting period commences on Tuesday, 27th September, 2016 at 9.00 a.m. and ends on Wednesday, 29th September, 2016 at 5.00 p.m. During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, 23rd September, 2016 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- ii. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, voting through ballot form, as well as voting at the meeting through ballot.
- iii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com.
- iv. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.maximaagroup.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") where the shares of the Company are listed.

Annexure 1

BRIEF RESUME OF PERSON PROPOSED TO BE RE-APPOINTED AS DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING:

Name	Manoj Shah
Date of Birth	04/012/1958
Qualifications	M.Sc
Nature of Expertise and Experience	He has over 25 years of rich and varied experience and is extremely conversant with capital markets and financial management.
Name of other companies in which he holds Directorship	EssenzaaLifescience Ltd Proyurvedalife Science Private Limited
If any or else NIL	
Shareholding in Maximaa Systems Limited	5410010 Equity Shares

Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 9 of the accompanying Notice:

ITEM NO. 4

The Board of Directors has received a notice from the shareholder proposing the candidature of Mrs. Shaila Manoj Shah (DIN : 02567402) as a Women / Independent Director to be appointed under the provisions of Section 149 and 152 of the Companies Act, 2013.

The Company has received from Mrs. Shaila Manoj Shah consent in writing to act as Women Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mrs. Shaila Manoj Shah as Women Director of the Company for a term of 5 consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. She is not liable to retire by rotation. In the opinion of the Board of Directors, Mrs. Shaila Manoj Shah proposed to be appointed, as a Women Director, fulfill the conditions specified in the Companies Act, 2013 and the Rules made hereunder. A copy of the draft letter for the appointment of Mrs. Shaila Manoj Shah as a Women Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's Registered Office during normal business hours on working days up to the date of the Annual General Meeting. None of the other Directors, Key Managerial Personnel or their relatives, except Mr. Manoj Shah being the husband of Mrs. Shaila Manoj Shah and Mrs. Shaila Manoj Shah for whom the Resolution relates, are interested or concerned in the Resolution. The Board seeks approval of the members for the appointment of Mrs. Shaila Manoj Shah as Women Director of the Company for five consecutive years for a term upto 31.03.2021 pursuant to section 149 and other applicable provisions of the Act, Rules made there under and that she shall not be liable to retire by rotation.

ITEM NO 5, 6 and 7:

At the Meeting of the Board of Directors held on 30th May, 2016, the directors of the Company approved the re-appointment of Mr. Manoj Shah, as Managing Director for the period from 7th March, 2016 to 06th March, 2021. The Directors also approved the re-appointment of Mr. Mahesh Shah and Mr. Mayur Shah as the Jt. Managing Director for the period from 7th March, 2016 to 06th March, 2021.

The Remuneration Committee of the Company's Board of Directors reviewed the remuneration packages of the Managing Director and Whole Time Director of the Company with a view to align such package with the best practices prevailing in the corporate world and in the Training and Development Sector globally. The Remuneration Committee decided to revise the terms and conditions of the re-appointment of the Managing Directors.

The principal terms of the revision are :

	Particulars	Manoj Shah	Mayur Shah	Mahesh Shah
	Managing Director	Amount in Lacs (Per Annum)	Amount in Lacs (Per Annum)	Amount in Lacs (Per Annum)
A	Salary	8,40,000	8,40,000	8,40,000
B	Perquisites	4,20,000	4,20,000	4,20,000
D	Limits	15,00,000	15,00,000	15,00,000

The Remuneration Committee comprising of independent Directors namely Mr. Samirkumar Mapara, Dr. Milan Desai and Mrs. Shaila Manoj Shah approved and recommended the remuneration as set out in the body of the resolution which the Board has agreed to offer by its resolution dated 30.06.2016. The remuneration proposed is in accordance with Section 196 and Section 197 of the Companies Act, 2013 read with Schedule V and all other applicable provisions of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and as approved by the Remuneration Committee and Board of Directors and subject to the approval of Shareholders of the Company by way of the Special Resolution. As Section 197 of the Companies Act, 2013 which have come into effect from 07th March, 2016, the re-appointment of Mr. Manoj Shah as Managing Director & Mr. Mahesh Shah and Mr. Mayur Shah as Jt. Managing Director, on the terms as set out in the body of resolution in the Clause A to F of the respective resolutions in the accompanying Notice shall be paid with the approval of the shareholders in the General Meeting.

The Company is not required to take the approval of Central Government for payment of the remuneration to the Managing Director as the Company would pay the remuneration as per Section 197 of the Companies Act, 2013 read with Schedule V, Part II, and Section II.

The Company has not made any default in repayment of any of its debts (including deposits) or debentures or interest payable thereon for continuous period of 30 days in the preceding financial year before the date of re-appointment of the Managing Directors.

Mr. Manoj Shah, Mr. Mahesh Shah, Mr. Mayur Shah and Mrs. Shaila Shah are interested in the resolutions as it pertains to re-appointment of Managing Director and Jt. Managing Directors respectively at Item No.5, 6 and 7 and remuneration payable to them. None of the other Directors of the Company is in any way concerned or interested in this resolution.

This explanation together with the notice is and should be treated as abstract of the terms of re-appointment of Mr. Manoj Shah as Managing Director & Mr. Mahesh Shah and Mr. Mayur Shah as Jt. Managing Director of the Company and a Memorandum as to the nature of the concern or interest of the Directors in the said re-appointments, as required under Section 190 of the Companies Act, 2013.

ITEM NO. 8:

The special business relates to seeking members' approval for invitation and acceptance of unsecured loan. The Board of Directors, on 30th July, 2016 has approved the acceptance of unsecured loan subject to your

approval of the shareholder. The purpose for accepting unsecured loan is that the said amount obtained shall have option for conversion in to equity shares at any time. Pricing, of the Issue and Relevant date, Days within which allotment shall be completed, Lock-in-period, shall be determined in accordance with provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009 ("ICDR Regulations"), SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011

ITEM NO. 9

The Company intends to sell and / or transfer and / or dispose off the Storage Division of the Company together with/without the movable and immovable assets and with/without liabilities, land and building, leasehold interests, accessories, offices, office equipment, employees, contracts and arrangements, customers, dealers, vendors, all rights thereunder, all intellectual property rights, tangible and intangible assets, business know-how, goodwill, receivables, including all licenses, approvals, and permits of whatsoever nature related to the Storage Division, whether partially or fully, on a going concern basis, whether on a slump sale basis or otherwise, such consideration whether in cash or kind, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (corresponding to Section 293(1)(a) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto) and the rules thereunder (collectively the "Act").

The Board shall decide the time when the Storage Division be disposed off / other incidental and ancillary activities thereto, determining such other terms and conditions relevant to the transfer, negotiating and finalising the terms of sale, negotiating, finalising and executing asset purchase agreement(s) / business transfer agreement(s), by whatever name called, such other agreements, deeds, documents, indemnities, contracts, declarations, undertakings, forms, letters and such other papers as may be necessary, desirable and expedient to be agreed, signed and executed, to determine the consideration.

The Board would make filings and applications for the statutory / regulatory and other approvals as may be required in the manner of selling and / or transferring and / or disposing off the Storage Division of the Company and to complete the transaction.

Accordingly, a Special Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

ITEM NO. 10

The Company intendsto sell and / or transfer and / or disposeoff the I.T Division of the Company together with/without the movable and immovable assets and with/without liabilities, land and building, leasehold interests, accessories, offices, office equipment, employees, contracts and arrangements, customers, dealers, vendors, all rights thereunder, all intellectual property rights, tangible and intangible assets, business know-how, goodwill, receivables, including all licenses, approvals, and permits of whatsoever nature related to the I.T Division, whether partially or fully, on a going concern basis, whether on a slump sale basis or otherwise or such consideration whether in cash or kind, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (corresponding to Section 293(1)(a) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto) and the rules thereunder (collectively the "Act").

The Board shall decide the time when the I.T Division be disposed off / other incidental and ancillary activities thereto, determining such other terms and conditions relevant to the transfer, negotiating and finalizing the terms of sale, negotiating, finalizing and executing asset purchase agreement(s) / business transfer agreement(s), by whatever name called, such other agreements, deeds, documents, indemnities, contracts, declarations, undertakings, forms, letters and such other papers as may be necessary, desirable and expedient to be agreed, signed and executed, to determine the consideration.

The Board would make filings and applications for the statutory / regulatory and other approvals as may be required in the manner of selling and / or transferring and / or disposing off the I. T Division of the Company and to complete the transaction.

Accordingly, a Special Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

For **MAXIMAA SYSTEMS LIMITED**

Sd/-

Ms. SnehalTondwalkar

Company Secretary

Place: Valsad

Date: 30.07.2016

DIRECTORS' REPORT

To,
The Members,
Maximaa Systems Limited

Your Directors are pleased to present their 26th Annual Report and Audited Accounts of the Company for the financial year ended March 31, 2016.

1. FINANCIAL RESULTS:

The summarized financial performance of the Company for the financial year ended March 31, 2016 as compared to previous year is as under :

PARTICULARS	Year ended March 31, 2016	Year ended March 31, 2015
Revenue	18,63,39,367	25,57,63,131
Profit/Loss Before Taxes (PBT)	2,56,190	1,49,883
Profit/Loss After Tax (PAT)	3,05,007	1,54,515
Profit/Loss Brought from Previous year	2,56,190	1,49,883
Profit/Loss carried to balance Sheet (after Adjustment)	(2,12,72,046)	(2,17,56,031)

2. FINANCIAL HIGHLIGHTS/PERFORMANCE :

During the year under review, the Company has recorded a decreased in operating revenue by 27.14% compared with the previous year. The Profit & Loss before tax have increased by Rs. 106307 and the Profit & Loss after tax have increased by 150492.

3. DIVIDEND :

The Board did not recommend any dividend for the year ended March 31, 2016.

4. RESERVES :

The Board proposes to carry Reserves of Rs. 40147000.

5. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/ STATE OF COMPANY'S AFFAIR

If there is more than one division, division wise working details are required to be given. Besides, working details of current years and future prospects of the company's working have also to be given. A statement justifying the reasons for the improvement/depressed results in comparison of the previous year is also required to be given.

Segment Information for the Year Ended 31st March, 2016

Particulars	Storage Systems Div.		IT Services Div.		Proyurveda Div.	
	Current Year	Pervious Year	Current Year	Perivous year	Current Year	Pervious Year
SEGMENT REVENUE						
Sales	7,27,65,491	12,46,43,169	1,04,18,679	1,04,79,630	10,28,22,062	11,79,61,540
Other Income	1,69,59,801	2,72,367	60,951	12,96,718	25,87,563	11,09,707
Net Sales/Income From Operations	8,97,25,292	1,24,91,536	1,04,18,679	1,17,76,348	10,54,09,625	11,90,71,247
SEGMENT RESULT						
Profit before Tax, Depreciation & Interest	8,37,00,709	11,07,34,535	78,68,314	81,87,881	9,32,47,079	10,65,74,216
Profit before Tax, depreciation & interest	60,24,583	1,41,81,001	27,50,365	35,88,467	1,21,62,546	1,24,97,031
Less: Depreciation	15,68,937	31,41,722	9,70,013	2,86,924	56,52,625	32,35,468
Profit after Depreciation	44,55,646	1,10,39,279	17,80,352	33,01,543	65,09,920	92,61,563
Less:Interest	42,75,232	1,14,40,402	-	-	60,64,984	98,41,392
Profit before Extra- Ordinary Item	1,80,414	-4,01,123	17,80,352	33,01,543	4,44,936	-5,79,829
Less:Extra-Ordinary Items	-	-	-	-	-	-
Less:Provision for Taxation	-	-	-	-	-	-
NET PROFIT	1,80,414	-4,01,123	17,80,352	33,01,543	4,44,936	-5,79,829
OTHER INFORMATION						
Segment Assets	19,90,39,025	22,91,42,822	3,67,60,588	3,90,29,288	22,83,10,555	31,66,25,408
Segment Liabilities	17,62,87,813	19,22,75,142	4,09,075	6,24,788	26,32,96,700	24,98,23,314

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There has been no material changes and commitment 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.

7. 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:

There are no significant and material orders passed by the regulators / courts that would impact the going concern status of the Company and its future operations.

8. DETAILS OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES:

The Company acquired more than 51% shares of M/s. Proyurveda Lifescience Private Limited during the financial year and subsequently became the holding Company of the same.

9. RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL:

Company has an Internal Financial Control System commensurate with the size, scale and complexity of its operations. Company has adopted proper system of Internal Control and Risk Management to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorized, recorded and reported quickly.

The Board of Directors have developed & implemented a risk management policy which identifies the key elements of risks that threatens the existence of the Company. The Audit Committee reviews the status of key risks and steps taken by the Company to mitigate such risks at regular intervals.

10. PUBLIC DEPOSITS:

Your Company has not accepted any fixed deposits as defined under Section 73 of Companies Act, 2013 and rules framed thereunder.

11. DIRECTORS:

Retirement by rotation

In accordance with the provisions of Section 152(6) and the Articles of Association of the Company, Mr. Manoj Shah (DIN: 00017594) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.

Appointments / Resignations from the Board of Directors

During the year under review, the Company appointed Mrs. Shaila Shah (DIN: 02567402) Shah as Non-executive Women Director.

Appointments / Resignations of the Key Managerial Personnel

Further, Ms. Dixita Patel resigned on 25th July, 2016 and subsequently Ms. Snehal Tondwalkar was appointed as the Company Secretary of the Company with effect from 30th July, 2016.

Further, Mr. Praveen Sethia, Chief Financial Officer was taken on record w.e.f. 01st January, 2016

Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a structured questionnaire was prepared after taking into consideration of various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the non-independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

12. NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors met 6 times during the year under review. The details of the Board meetings and attendance of the directors are provided in the Corporate Governance Report.

13. COMPOSITION OF AUDIT COMMITTEE:

The Board has constituted the Audit Committee which comprises of Mr. Milan Desai, Independent Director as Chairman and Mr. Viral Chitalia, Independent Director, Mr. Samirkumar Mapara, Independent Director, Mr. Mayur Shah, Jt. Managing Director, as the members. More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

14. WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behavior in all its operations, the company had formulated a 'Vigil Mechanism Policy' in addition to the existing code of conduct that governs the actions of its employees. This Whistleblower Policy aspires to encourage all employees to report suspected or actual occurrence(s) of illegal, unethical or inappropriate events (behaviors or practices) that affect Company's interest / image.

A copy of the Policy is available on the website of the Company and may be accessed through the web link <http://www.maximaagroup.com/regulatory-compliance.htm>.

15. EXTRACT OF ANNUAL RETURN:

In accordance with Section 134(3) (a) and Section 92(3) of the Companies Act, 2013, an extract of the Annual Return as at March 31, 2016 in the prescribed format is given in Annexure 1 and forms part of this Report.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements under section 134(5) read with section 134(3) (c) of the Companies Act, 2013, with respect to Directors Responsibility Statement, it is hereby confirmed 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 as at 31st March, 2016 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 have prepared the annual accounts on a going concern basis;
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. STATUTORY AUDITORS:

The present Auditors of the Company M/s D.D. Desai & Associates, Chartered Accountants [Firm Registration No. 102297W], Gujarat, had tendered their resignation to act as the Statutory Auditors of the Company with effect from 30th June, 2015.

As per the provisions of section 139(8) of the Companies Act, 2013 and rules made thereunder, the Board has considered the appointment of M/s. KCPG & Co., Chartered Accountants [Firm Registration No. 140913W], Gujarat, to fill up casual vacancy caused on account of resignation of M/s D.D. Desai & Associates, Chartered Accountants [Firm Registration No. 102297W], Gujarat, with effect from 30th June, 2015 subject to the ratification of appointment by the members of the Company from this Annual General Meeting and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the ensuing Annual General Meeting on such remuneration as may be agreed upon.

18. AUDITORS' REPORT:

Auditors Report is self-explanatory and do not call for any explanation and clarification by directors.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

20. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions are entered into during the financial year under review were in ordinary course of business and on an arm's length basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors for their review and approval on a quarterly basis.

The details of the transactions with Related Party are provided in the accompanying financial statements.

21. SECRETARIAL AUDIT :

Pursuant to Section 204 of the Companies Act, 2013 the Board of Directors had appointed Mr. Kunjal Dalal of K Dalal & Co, Practicing Company Secretary (C. P. No. 3863) as Secretarial Auditor to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor is annexed herewith as Annexure 3 and forms part of this Report.

There is no secretarial audit qualification for the year under review.

22. CORPORATE GOVERNANCE :

Your Company has complied with the Corporate Governance requirements as per the revised Clause 49 of the Listing Agreement with the stock exchanges. A separate report on Corporate Governance along with a Certificate of Compliance from the Auditors forms a part of this Annual Report.

23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Management Discussion and Analysis Report of financial condition and results of operations of the Company for the year under review as required under Clause 49 of the Listing Agreement entered with the Stock Exchanges, is given as separate statement forming part of the Annual Report.

24. STATUTORY INFORMATION:

A. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2015 - 16

B. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as Annexure D and forms part of this Report

25. INDUSTRIAL RELATIONS:

The industrial relations continued to be cordial during the year under review.

26. CAUTIONARY STATEMENT:

Statements in the Directors' Report and the Management Discussion and Analysis may be forward looking within the meaning of the applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Certain factors that could affect the Company's operations include increase in price of inputs, availability of raw materials, changes in government regulations, tax laws, economic conditions and other factors

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out hereunder.

A) Conservation of Energy

- a. Energy conservation measures taken: None at present;
- b. Additional investment and proposals, if any, being implemented for reduction of consumption of energy: There are no proposals;
- c. Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Does not arise;
- d. Total energy consumption and energy consumption per unit of production as per Form "A" to annexure in respect of industries specified in the schedule thereto: Not Applicable.

B) Technology Absorption

Research & Development (R & D):

- a. Specific area in which R & D carried by the company: None at Present;
- b. Benefits derived as a result of the above R & D: Does not arise;
- c. Future plan of action: At present it is not under consideration;
- d. Expenditure on R & D: Nil

Technology absorption, adaptation and innovation:

- a. Efforts being made towards technology absorption, adaptation and innovation: None
- b. Benefits derived as a result of the above efforts e.g. Product improvement cost, reduction, product development, import substitution etc. : None
- c. Imported technology: Not applicable as technology has not been imported

C) Foreign Exchange Earnings and Outgo:

Particulars	IT Services Div.	
	Current Year	Previous Year
REVENUE FROM FOREIGN EXCHANGE:		
Sales	1,04,79,630	1,04,79,630
Other Income	(60,951)	12,96,718
Net Sales/Income From Operations(In Rupees)	1,04,18,679	1,17,76,348
(In Dollars)	1,55,782	1,18,999

28. ACKNOWLEDGMENTS:

Your Directors would like to express their sincere appreciation for the cooperation and assistance received from the Authorities, Stock Exchanges, Registrar and Share Transfer Agents, Business Associates, employees, customers, suppliers, company's bankers as well as our Shareholders at large during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the satisfactory performance during the year.

**FOR AND ON BEHALF OF THE BOARD
Maximaa System Limited**

**Sd/-
MANOJ SHAH
CHAIRMAN AND MANAGING DIRECTOR**

Place: VALSAD

Date: 30.07.2016

Annexures to Directors' Report

ANNEXURE- A

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2016**

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

Form No. MGT-9

1. REGISTRATION AND OTHER DETAILS:

CIN	L27100GJ1990PLC014129
Registration Date	3 rd August, 1990
Name of the Company	Maximaa Systems Limited
Category / Sub-Category of the Company Company	Company Limited By Shares / Indian Non-Government
Address of the Registered Office and contact details	B-1, Yashkamal, Tithal Road, Valsad, Gujarat-396001
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Purva Sharegistry (India) Private Limited, Unit No. 9, Shiv Shakti Ind. Est. J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai- 400 011 Ph: 022- 2301 0771/8261 Fax: 022- 2301 2517

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities 10% or more, thus remove IT turnover of the company shall be stated:-

Sr. No..	Name and Description of main Products / Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Pharmaceuticals	24233	51%
2	Storage	63023	44%
3	IT	72200	5%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

SL. No.	Name and address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Proyurveda Lifescience Private Limited	U24233GJ2015PTC082953	Subsidiary Company	77.58	2 (87)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	17934310	0	17934310	35.70	17934310	0	17934310	35.45	-0.25
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	17934310	0	17934310	35.70	17934310	0	17934310	35.45	-0.25
(2) Foreign									
a) NRIs-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 Shareholding of Promoters (A) = (A)(1)+(A)(2)	17934310	0	17934310	35.70	17934310	0	17934310	35.45	-0.25
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / 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.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital 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									
i) Indian	3374405	0	3374405	6.72	3471788	144575	3616363	7.15	0.43
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individual									
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	6890430	1034290	7924720	15.77	7106112	1020785	8126897	16.07	0.3
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	15825551	0	15825551	31.50	16107925	0	16107925	31.84	0.34
c) Other (Specify)									
i) N.R.I. (Repat & Non-Repat.)	4280512	85	4280597	8.52	4298542	85	4298627	8.50	-0.02
ii) Foreign Corporate Bodies	0	0	0	0	0	0	0	0	0
iii) Trust	0	0	0	0	0	0	0	0	0
iv) Hindu Undivided Family	883755	0	883755	1.76	1648195	0	1648195	3.26	1.5
v) Employee	0	0	0	0	0	0	0	0	0
vi) Clearing Members	12917	0	12917	0.03	258718	0	258718	0.51	0.48
Sub-Total (B)(2): Total Public Share holding (B)= (B)(1) +(B)(2)	31122550	1179395	32301945	64.30	31486500	1165445	32651945	64.55	0.25
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	49056860	1179395	50236255	100	49420810	1165445	50586255		0

ii. **Shareholding of Promoters**

Shareholders Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% of Change in share holding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
MANOJ SHAH	5410010	10.76	0	5410010	10.69	0	- 0.08
MAHESH SHAH	4801345	9.55	0	4801345	9.49	0	- 0.06
MAYUR SHAH	4633205	9.22	0	4633205	9.16	0	- 0.06
MAHESH BALUBHAI SHAH	1217750	2.42	0	1217750	2.40	0	- 0.01
MAYUR B SHAH	1084500	2.15	0	1084500	2.14	0	- 0.02
MANOJ B SHAH HUF	787500	1.56	0	787500	1.55	0	- 0.02
Total	17934310	35.70	0	17934310	35.45	0	- 0.25

iii. **Change in Promoters' Shareholding (please specify, if there is no change)- NOT APPLICABLE**

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
For Each Top 10 Share Holders	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	N.A	N.A	N.A	N.A
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	N.A	N.A	N.A	N.A
At the end of the year	N.A	N.A	N.A	N.A

*There is no change in Promoter's shareholding during the year under review.

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

For Each Top 10 Share Holders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. MALIREDDY SRINIVASULU REDDY	4253000	8.46	4253000	8.40
2. DAMAVARAPU KAMALAMMA	2500000	4.97	2500000	4.94
3. RAJ KUMAR	2002279	4.84	2282279	4.51
4. DIVYESH PRAVINCHANDRA SHAH	1500000	2.98	1500000	2.96
5. NISHMA GORWARA	1335205	2.65	1392049	2.75
6. DAMAVARAPU RADHAKRISHNA REDDY	999800	1.99	999800	1.97
7. GRISIH KALYANJI DEDHIA	-	-	902286	1.78
8. MACRO SECURITIES (INDIA) PVT LTD	1404780	2.79	1404780	2.79
9. RAJMANI GORWARA	771519	1.53	839598	1.65
10. MILAN GULABBHAI DESAI	750000	1.49	750000	1.48

v. Shareholding of Directors and Key Managerial Personnel

Name of Director/KMP :

For Each Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Mr. Manoj Shah- Chairman & Managing Director				
At the beginning of the year	5410010	10.76	5410010	10.69
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	-	-	-	-
At the end of the year	-	-	5410010	10.69

Name of Director/KMP :

For Each Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2. Mayur Shah-Joint Managing Director				
At the beginning of the year	4633205	9.22	4633205	9.15
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	-	-	-	-
At the end of the year	-	-	4633205	9.122

Name of Director/KMP :

For Each Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3. Mahesh Shah-Joint Managing Director				
At the beginning of the year	4801345	9.55	4801345	9.49
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	-	-	-	-
At the end of the year	-	-	4801345	9.49

5. 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	42713482	1,04,65,000	98,52,428	63030910
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	42713482	1,04,65,000	98,52,428	63030910
Change in Indebtedness during the financial year				
Addition	37818229	31260454	-	69078683
Reduction	-	-	284800	284800
Net Change	37818229	31260454	284800	69363483
Indebtedness at the end of the financial year				
i.Principal Amount	80531711	4,17,25,454	1,01,37,228	132394393
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	80531711	4,17,25,454	1,01,37,228	132394393

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Manoj Shah	Mayur Shah	Mahesh Shah	Total Amount
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	865301	883039	864228	2612568
	(b) Value of perquisites under Section 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 Options	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	- others, specify....	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	865301	883039	864228	2612568

B. Remuneration to other Directors :

Sr. No	Particulars of Remuneration	Name of Director	Name of Director	Name of Director	Total Amount
1.	Independent Director	Samirkumar Mapara	Milan Desai	Viral Chitalia	
	-Fee for attending Board/ CommitteeMeetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil
2	Other Non Executive Directors				
	-Fee for attending Board/ CommitteeMeetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total B= 1+2	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Other Ceiling as per Act	Nil	Nil	Nil	Nil

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

Sr. No	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Manoj Shah CEO	Ms. Dixita Patel Company Secretary	Mr. Praveen Sethia CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1)of the Income Tax Act, 1961	865301	300000	570000	
	(b) Value of perquisites under Section 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 Options	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	- Others, specify....	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	865301	300000	570000	

7. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: -NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalties/ Punishment/ Compounding Fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICER IN DEFAULT					
Penalty					
Punishment					
Compounding					

Form AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of Contracts of Arrangements or Transactions not at Arm's Length Basis

-NOT APPLICABLE

Note: All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

1. Details of Material Contracts or Arrangements or Transactions at Arm's Length Basis

Sr.No.	Particulars	Related Party Transactions
(a)	Name(s) of the related party and nature of relationship	1. Proyurveda Lifescience Private limited
(b)	Nature of relationship	1. Proyurveda Lifescience Private limited- Subsidiary Company
(c)	Nature of contracts/ arrangements/ transactions	1. Advances received by the company
(d)	Duration of the contracts /arrangements / transactions	4 years
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Date(s) of approval by the Board	Board Resolution
(f)	Amount paid as advances, if any:	59,49,821

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Sd/-
MANOJ SHAH
Managing Director**

**Sd/-
MAYUR SHAH
Jt. Managing Director**

Place: Valsad
Date : 30.07.2016

**Sd/-
MAHESH SHAH
Jt. Managing director**

SECRETARIAL AUDIT REPORT

For The Financial year Ended On 31st March, 2016

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

To,
The Members
Maximaa Systems Limited
B-1, Yashkamal, Tithal Road,
Valsad 396001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Maximaa Systems Limited (CIN: L27100GJ1990PLC014129)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed here under 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 Maximaa Systems Limited for the financial year ended on 31st 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. 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;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**;
 - f) The securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**;

- h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period) “Add”**
- i) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on their sector/ industry are:
 - a. The Drugs and Cosmetics act, 1940
 - b. Drugs and Magic remedies (Objectionable Advertisements) Act, 1954
 - c. Food and Safety Standard Act, 2006

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws and Regulations to the Company. I report that the Company has substantially complied with the provisions of those Acts that are applicable to Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange and /or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, *except to the extent that the Company has not filed Form MGT15 under the Companies Act 2013.*

I further report that:

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

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

I further report that as per the explanations given to us and the representation made by the Management and relied upon by us there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of:

- i. Redemption / buy-back of securities
- ii. Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations

For K.Dalal & Co.
Company Secretaries

Sd/-
Kunjal Dalal
Proprietor
FCS No. 3530 COP No. 3863

Place : Surat
Date : 30.07.2016

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

Annexure 'A'

To,
The Members
Maximaa Systems Limited
B-1, Yashkamal, Tithal Road,
Valsad 396001

My secretarial audit report of even date is to be read along with this letter

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

For K.Dalal & Co.
Company Secretaries

Sd/-
Kunjaldalal
Proprietor
FCS No. 3530 COP No. 3863

Place : Surat
Date : 30.07.2016

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The members are aware of the Company entering into Pharmaceutical sector and with its excellent manufacturing unit have tremendously increased the production and distribution and selling of PROYURVEDA range of products.

In the financial year 2015 – 16, the Company has subscribed shares of M/s. Proyurveda Lifescience Private Limited (PLPL) and subsequently became the Holding Company of PLPL. PLPL was incorporated to promote and sell the Companies Premium and Patented “Proyurveda” range of products through OTC (Over The Counter) marketing route. OTC Market contributes 19% of the total Pharmaceutical revenue of the Country. The Company has ambitious plans and within four years will sell the products all around the Country.

MaxNRG is a probiotic, immunity and energy builder 100% herbal product available in syrup and Capsule form. MaxNRG will be the first product to be launched in Mumbai Market and subsequently MaxPilo and MaxArtho will be also added to the basket which are excellent result oriented products. MaxPilo is for the cure of Piles and MaxArtho is for Rheumatoid Arthritis.

PLPL has entered into an Agreement with Bennett, Coleman & co. Ltd., for the investment of Rs. 26,00,00,000 (Twenty Six Crores Only). This amount will be utilised towards Brand Building and promotional activities of the Company to capture reasonable market share.

STRENGTHS & OUTLOOK ON OPPORTUNITIES:

Since Company is now investing in Pharma segment and having cutting edge technology of Probiotic which is protected by way of patents worldwide, Company will have a strong presence and favorable position in National & Global Market.

REVIEW OF OPERATIONAL AND FINANCIAL PERFORMANCE:

The Audited Financial Results are given for the financial year ended on 31st March, 2016. The report contains review of the operations of the Company. The Company earned revenue of Rs. 20,58,25,780 /- as against revenue of Rs. 25,57,63,131/- in the last year and the net profit after tax recorded by the Company is Rs. 3, 05, 007/- as against the profit of Rs 1,49,883/-

SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

This is mentioned as segment information in the Balance Sheet.

RISK MANAGEMENT:

The Company has national as well global business interests and is exposed to business risks which may be internal as well as external. The Company has a comprehensive risk management system in place, which enables it to recognize and analyze risks early and to take the appropriate action.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

MSL has in place a well-defined organizational structure and adequate internal controls for efficient operations. The Company has appointed Mr. Praveen Sethia as Chief Financial Officer who looks after and controls the internal audit systems. The team has in place internal policies, and is aware of applicable laws and regulations, particularly those related to protection of intellectual property, resources and assets, and the accurate reporting of financial transactions.

HUMAN RESOURCE DEVELOPMENT:

The Management recognizes that HR is the core of the Company, influencing change, building culture and capabilities. The HR processes are continuously evolving and aligning with the changing business requirements.

The Company's provides congenial work environment, performance oriented work culture, knowledge acquisition/ dissemination, creativity and responsibility. The Company enjoys cordial relations with the employees at all levels.

EMPLOYEE RELATIONS:

Peaceful and cordial relations continue with the employees. The Management wishes to place on record its acknowledgement and appreciation for the support extended by all the employees of the Company.

CAUTIONARY STATEMENT:

The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts its business and other incidental factors.

CORPORATE GOVERNANCE REPORT

i. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stems from the culture and mindset of the organization. Corporate Governance is an integral part of management, execution of business plans, policies and processes as the Company believes that it is a tool to attain and enhance the competitive strengths in business and ensure sustained performance for continuously enhancing the value for every stakeholder. Accordingly, Maximaa Systems Limited (MSL) endeavors to adhere to the highest levels of transparency, accountability and ethics in all its operations fully realizing at the same time its social responsibilities.

Through its corporate governance measures, the Company aims to maintain transparency in its financial reporting and keep all its stakeholders informed about its policies, performance and developments. Maximaa Systems Limited (MSL) will contribute to sustain stakeholder confidence by adopting and continuing good practices, which is at the heart of effective corporate governance. It envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations.

ii. BOARD OF DIRECTORS:

The Board comprises of directors of repute, who are experienced businessmen, professionals and executives. The Executive Directors include senior directors commanding respect in the industry for their valuable experience and contribution. They look after their areas of responsibilities independently and seek guidance from the Chairman and Managing Director in all critical matters. MSL's management team endeavors to adhere to the directions of the Board.

The Board is consistently working towards the compliance of the composition pursuant to the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"). As per the Listing Agreement if the Chairman is Executive, at least half of the Board should consist of independent Directors. As on 31.03.2016 your Board consists of 7 Directors, out of which 3 Directors are independent, constituting 42.86% of total size of Board.

a. COMPOSITION OF BOARD OF DIRECTORS AND PARTICULARS THEREOF :

Sr. No.	Name of Director	Category	No. of Directorship in each Companies		No. of Membership / Chairmanship of other Board Cmmittees	
			Public	Private	Member	Chairman
1	Mr. Manoj Shah	Managing Director; Executive	2	1	1	-
2	Mr. Mayur Shah	Joint Managing Director; Executive	1	-	1	-
3	Mr. Mahesh Shah	Joint Managing Director; Executive	1	-	-	-
4	Mr. Samirkumar Mapara	Independent Director; Non Executive	1	-	2	1
5	Mr. Viral Chitalia	Independent Director; Non Executive	1	-	1	1
6	Dr. Milan Desai	Independent Director; Non Executive	1	-	2	-
7	Mrs. Shaila Shah	Non-Independent Director ; Non-executive	1	-	-	-

Notes

- I. Except that Mr. Manoj shah, Mr. Mayur Shah and Mr. Mahesh Shah are brothers, Shaila Shah is wife of Mr. Manoj Shah and no other Directors are related to other Directors in List Given above.
- II. Directorship held by Directors in other companies does not include alternate directorships, directorships in foreign companies, Section 25 and private limited companies;
- III. In accordance with the Listing Agreement, Chairmanships/Memberships only in Audit Committee & Shareholders Grievance Committee of public limited companies have been considered for committee positions;
- IV. In compliance with the listing Agreement, members of the Board do not have Directorships in more than fifteen Companies or membership of more than ten Board-level Committee's or Chairman of more than five such Committees.

b. ATTENDANCE AT BOARD MEETING AND ANNUAL GENERAL MEETING:

During the financial year 2015 - 16, 11 Board Meetings were held on 19th May, 2015; 30th May, 2015; 10th July, 2015; 14th August, 2015; 7th September, 2015; 08th September, 2015; 30th September, 2015; 10th November, 2015; 12th January, 2016; 14th January, 2016 and 13th February, 2016.

The Annual General Meeting of the Company for the financial year 2015 - 16 was held on 30th September, 2015.

Attendance at Board Meeting and last Annual General Meeting:-

Name of the Directors	No of Board Meetings attended	Attendance of Last AGM
Mr. Manoj Shah	11	Present
Mr. Mayur Shah	11	Present
Mr. Mahesh Shah	11	Present
Mr. Samirkumar Mapara	11	Present
Mr. Viral Chitalia	11	Present
Dr. Milan Desai	6	Present
Mrs. Shaila Shah	10	Present

c. BOARD'S FUNCTIONING & PROCEDURES: -

The Board has complete access to any information within the Company. At meetings of the Board, it welcomes the presence of Senior Management who can provide additional insights into the items being discussed.

The items placed at the Meeting of the Board include the following:-

- Unaudited Quarterly/Half Yearly financial results and Audited Annual Accounts of the Company, results and capital employed, for consideration and approval;
- Minutes of Meetings of Audit Committee, Stakeholders relationship Committee /Share Holders Grievance Committee and Nomination and Remuneration Committee;
- Abstracts of circular resolutions passed;
- General notices of interest;
- Sale and/or purchase of investments, fixed assets;
- Review compliance of all laws applicable to the Company including the requirements of the Listing Agreement with the Stock Exchanges and steps taken by the Company to rectify instances of non compliances, if any;
- Related party transactions;
- Reviewing the business plan and strategy of the Company

All the items in the Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial /business plans and financial results, detailed presentations are made. The Agenda and the relevant notes are sent to the Board to enable the Board to take informed decisions.

The Minutes of the Meetings of the Board are circulated through email to all Directors and confirmed at the subsequent Meeting. The Minutes of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's relationship Committee / Shareholders' Grievance Committee are also circulated through email to all Directors and thereafter tabled for discussion at the subsequent Board Meeting.

d. RE- APPOINTMENT OF DIRECTORS:

Mr. Manoj Shah (holding DIN 00017594), Director who is liable to retire by rotation and being eligible offer himself for re-appointment.

e. CODE OF CONDUCT:

Pursuant to Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Bombay Stock Exchange, the Company has adopted code of conduct for Directors and Senior Management Personnel. All the members of the Board and Senior Managerial Personnel have affirmed compliance to the Code of Conduct as on March 31, 2016 and a declaration to that effect signed by the Managing Director is attached and forms part of this Report.

iii. BOARD COMMITTEES:

In terms of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted three committees i.e. Audit Committee, Shareholders/Investors Grievance Committee and Remuneration Committee.

A. AUDIT COMMITTEE:

Audit committee acts as a link between the Statutory and Internal Auditors and the Board of Directors. The Primary objective of the Audit Committee is to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures.

a. SIZE AND COMPOSITION :-

The composition of the Audit Committee as on March 31, 2016 is as under:-

1. Mr. Viral V. Chitalia, Non-Executive Independent Director as Chairman;
2. Dr. Milan Desai, Non-Executive Independent Director as Member;
3. Mr. Mayur Shah, Executive Director as Member;
4. MrSamirkumar Mapara, Non-Executive Independent Director as Member.

The Members of the Committee are well versed in finance / accounts, legal matters and general business practices.

b. ATTENDANCE AT THE AUDIT COMMITTEE MEETINGS:-

During the accounting year 2015 - 16, 5 Audit Committee Meetings were held on 30th May, 2015, 14th August, 2015, 10th November, 2015, 12th January, 2016 and 13th February, 2016.

Name of Members	No. of Audit Committee Meetings attended
Mr. Viral V. Chitalia	5
Dr. Milan Desai	3
Mr. Mayur Shah	5
MrSamirkumar Mapara	5

c. THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE ARE AS FOLLOWS:-

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;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. 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;

17. 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;

18. To review the functioning of the Whistle Blower mechanism;

Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;

The vigil mechanism under sub-section (9) shall provide 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 or exceptional cases;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

21. The Audit Committee shall have powers, which should include the following:

a. To investigate any activity within its terms of reference:

The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company;

- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice;
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

22. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company;

23. All Related Party Transactions shall require prior approval of the Audit Committee:

Approval or any subsequent modification of transactions of the company with related parties.

d. REMUNERATION OF DIRECTORS:-

Non-Executive Directors Compensation & Disclosures:

No Sitting Fees was paid to any Director. No Commission was paid to any Director.

Note:

No bonuses, stock options and pension were paid to the Directors;

- a. No incentives linked with performance are given to the Directors;

- b. The Company has no stock option scheme and so no stock options are held by the Executive Directors;
- c. The term of Executive Directors is for a period of 5 years from the respective date of appointment. The Company does not have any service contract with any of the directors;
- d. Besides above remuneration, all the Executive Directors are also entitled to Company's contribution to Provident Fund, Gratuity and encashment of leave, as per rules of the Company.

B. STAKEHOLDER'S RELATIONSHIP COMMITTEE / SHAREHOLDER'S GRIEVANCE COMMITTEE:

The Committee has the mandate to review, redress shareholders' grievances and to approve all share transfers.

a) SIZE AND COMPOSITION:-

The composition of the Shareholders Grievance Committee as on March 31, 2016 is as under:-

- 1. Mr. Samirkumar Mapara, a Non-Executive Independent Director as the Chairman;
- 2. Mr. Manoj Shah, Executive Director as Member;
- 3. Dr. Milan Desai, Non-Executive Independent Director as Member.

b) MEETING OF THE STAKEHOLDER'S RELATIONSHIP COMMITTEE / SHAREHOLDERS' GRIEVANCE COMMITTEE MEETINGS:

During the accounting year 2015 - 2016, 16 Meetings of the Stakeholder's Relationship Committee / Shareholders' Grievance Committee were held on 30th May, 2015; 14th August, 2015; 10th November, 2015; 12th January, 2016 and 13th February, 2016.

Name of Members	No. of Shareholder Grievance Meetings attended
Mr. Samirkumar Mapara	6
Dr. Milan Desai	5
Mr. Manoj Shah	6

The committee specifically looks into the redressal of shareholder and investor complaints on matters relating to transfer of shares, dematerialization/ rematerialisation, Split of shares, consolidation of share certificates, issue of duplicate share certificates, non-receipt of annual report, non-receipt of declared dividends etc. in addition, the committee advises on matters which can facilitate better investor services and relations. As per the Certificate issued by our Registrar and Share Transfer Agents (RTA), Purva Sharegistry (India) Private Limited, during the year under review; whatever complaint was received from shareholders/investors, was replied/ resolved to the satisfaction of the shareholders/investors and nothing was pending as at March 31, 2016.

C. NOMINATION AND REMUNERATION COMMITTEE:

a. COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of your Company has been constituted as per the requirements of Section 178 of the Companies Act, 2013 and the Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairman of the Committee is an Independent Director.

The Composition is as follows:

Name of Members	No. of Nomination and Remuneration Meetings attended
Mr. Samirkumar Mapara	2
Dr. Milan Desai	2
Mrs. Shaila Manoj Shah	2

b. REMUNERATION OF DIRECTORS:

Non-Executive Directors Compensation & Disclosures:

No Sitting Fees was paid to any Director. No Commission was paid to any Director.

Note:

- a. No bonuses, stock options and pension were paid to the Directors;
- b. No incentives linked with performance are given to the Directors;
- c. The Company has no stock option scheme and so no stock options are held by the Executive Directors;
- d. The term of Executive Directors is for a period of 5 years from the respective date of appointment. The company does not have any service contract with any of the directors.
- e. Besides above remuneration, all the Executive Directors are also entitled to company's contribution to Provident Fund, Gratuity and encashment of leave, as per rules of the Company.

iv. GENERAL BODY MEETINGS:

- i) The details of Annual General Meetings held in last 3 years are as under:

Year	Day, Date and Time	Venue
2014-2015	Wednesday, 30th day of September, 2015 at 8.30 A.M.	At Registered Office of the Company at Suraj Estate, Kailash Road, Valsad- 396 001
2013-2014	Saturday, 27th day of September, 2014 at 9.00 A.M.	At Registered Office of the Company at Suraj Estate, Kailash Road, Valsad-396 001
2012-2013	Friday, 27th day of September, 2013 at 9.00 A.M.	At Registered Office of the Company at Suraj Estate, Kailash Road, Valsad-396 001

- ii) Special Resolutions passed:

- a. At the 25th Annual General Meeting held on 30th day of September, 2015, five special resolutions were passed;
- b. At the 24th Annual General Meeting held on 27th day of September, 2014, two special resolutions were passed;
- c. At the 23rd Annual General Meeting held on 28th day of September, 2013, no special resolution was passed.

- iii) The Company did not pass any resolution by way of Shareholders approval through postal ballot during the year ended March 31, 2016. No special resolution has been proposed to be passed by way of Postal Ballot.

v. DISCLOSURES:

1. Disclosures on materially significant related party transactions:

There is no significant or material related party transactions that have taken place during the year, which have any potential conflict with the interest of the Company at large. The detailed related party information and transactions have been provided in Notes to accounts.

All related party transactions are negotiated at arm's length basis and are only intended to further the interest of the Company.

2. Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years.

3. Whistle blower Mechanism:

The Company has a whistle blower mechanism wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practices.

4. Certification from CEO and CFO:

The requisite certificate from the Managing Director and Chief Financial Officer of the company required to be given under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was placed before the Board of Directors of the Company at its Meeting held on 30th May, 2016 and Mr. Manoj Shah, Managing Director and Mr. Praveen Sethia, Chief Financial Officer of the company, have certified to the Board that:

- a) They have reviewed the Financial Statement and the Cash Flow Statement for the year 2015-16 and that to the best of their knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's Code of Conduct.
- c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. They have not come across any reportable deficiencies in the design or operation of such internal controls.
- d) They have indicated to the Auditors and the Audit Committee:
 - i. That there are no significant changes in the internal control over financial reporting during the year;
 - ii. There are no significant changes in the Accounting Policies during the year, and
 - iii. There are no instances of significant fraud of which they have become aware.

vi. MEANS OF COMMUNICATION:

The Company regularly intimates and publishes its audited/un-audited results in all the editions of Chanakya (English) and Newline (Gujarati) newspaper in the State of Gujarat where Registered Office of the Company is situated. Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results, official releases and other relevant information are regularly and promptly updated on the web site of the Company namely www.maximaagroup.com.

During the year the Company displayed official news releases.

No presentations were made to the institutional investors or to analysts during the year under review.

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report, and other important information is circulated to members and others entitled thereto.

vii. COMPLIANCE CERTIFICATE:

The certificate regarding compliance of conditions of clause 49 of the Listing Agreement from the Practicing Company secretary of the company is annexed hereto.

viii. GENERAL SHAREHOLDERS INFORMATION:

1) Annual General Meeting:

Date: Friday, 30th September, 2016

Time: 9.30 A.M.

Venue: B/1, Yashkamal, Tithal Road, Valsad, Gujarat-396 001

2) Financial Calendar:

Financial year: 1st April, 2015 to 31st March, 2016

3) Tentative calendar of Board Meeting for Financial Year 2015-2016:

First Quarter - On or before 30th July, 2016

Second Quarter - On or before 15th November, 2016

Third Quarter - On or before 15th February, 2017

Fourth Quarter - On or before 15th May, 2017

4) Book Closure:

The book closure period is from 24th September, 2016 to 30th September, 2017, inclusive of both days.

5) Dividend

The Company has not declared any dividend during the year.

6) Listing on Stock Exchange

The Company's equity shares are listed and traded from 1994 on the following Stock Exchanges-

Name of Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE)	526538
Metropolitan Stock Exchange of India	MAXIMAA

Annual listing fees to Bombay Stock Exchange for the year 2016-2017 has been paid.

The ISIN Number (or demat number) of Maximaa Systems Limited on both NSDL and CDSL is INE161B01036. The Company has also paid the annual custody fee for the financial year 2015-2016 to both the depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

7) Stock data

Table given below shows the monthly high and low share prices and volumes of Maximaa Systems Limited at the Bombay Stock Exchange Limited, Mumbai (BSE) for the year ended March 31, 2016.

Monthly share price data and volumes, BSE

Month	High(Rs.)	Low(Rs.)	Volume (No. of Shares)
April,2015	6.35	3.72	3,78,861
May, 2015	4.41	3.54	2,03,450
June, 2015	4.25	2.72	1,10,219
July, 2015	6.87	3.40	9,97,420
August, 2015	7.00	6.04	8,56,790
September, 2015	6.00	4.26	1,32,211
October, 2015	6.45	4.50	2,08,796
November, 2015	6.99	5.35	96,731
December,2015	7.74	5.08	11,83,863
January,2016	9.93	6.19	7,75,547
February,2016	7.38	5.10	2,15,564
March,2016	6.59	4.94	7,79,713

Source: BSE Website.

8) Share Transfer System:

In terms of SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002, the Company is providing facility of a common agency for all the work related to share registry in terms of both physical and electronic at a single point by its **Registrar and Share Transfer Agents, (RTA) i.e., Purva Sharegistry (India) Private Limited**, whose address is given below:

Purva Sharegistry (India) Private Limited

Unit no 9, Shiv Shakti IndEstt, JR BorichaMarg, Opp. Kasturba Hospital Lane,
Lower Parel (E), Mumbai – 400011
E-mail id- busicomp@vsnl.com
purvashr@mtnl.net.in

Contact Person:

Mr. Rajesh Shah/V.B. Shah
Ph: 022-2301 0771/8261
Fax: 022-2301 2517

Mr. Manoj Shah, Director and the Company Secretary are severally empowered to approve transfer. The Company obtains from a Practicing Company Secretary half yearly certificate of compliance as required under Regulation 40(9) & (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 and files the same with Stock Exchanges.

9) Reconciliation of Share Capital Audit Report:

The Securities and Exchange Board of India has directed vide circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the Depositories, viz. NSDL and CDSL and in physical form with the total issued / paid up capital.

The said certificate, duly certified by the Practicing Company Secretary is submitted to the Stock Exchanges where the securities of the Company are listed within 30 days of the end of each quarter.

The said certificate, duly certified by the Practicing Company Secretary is submitted to the Stock Exchanges where the securities of the Company are listed within 30 days of the end of each quarter.

10) Shareholding Pattern:

a. Distribution of Shareholding by size, as on March 31, 2016:

Category		No.of Shareholders	% of Total	No. of shares(In Rs.)	% of Total
From	To				
1	5000	6116	89.27	3351921	6.63
5001	10000	361	5.27	1355068	2.68
10001	20000	179	2.61	1358016	2.68
20001	30000	46	0.67	592632	1.17
30001	40000	22	0.32	394727	0.78
40001	50000	23	0.34	537375	1.06
50001	100000	41	0.60	1465870	2.90
100001	Above	63	0.92	41530646	82.10
		6851	100	50586255	100

b. Categories of Shareholding as on March 31, 2016:

S/No.	Category	Shares held (No)	% of holding
1	Promoters and Promoters Group	17934310	35.45
2	Mutual Funds & UTI	0	0
3	Banks, Financial Institutions, Insurance Companies, Central/ State Gov. Institutions/ Non-governmental Institutions, Venture Capital	0	0
4	Foreign Institutional Investors (FIIs)	0	0
5	Private Corporate Bodies	2211583	4.37
6	Indian Public	24234822	47.91
7	Hindu Undivided Family	1648195	3.26
8	NRIs/OCBs	4298627	8.50
9	Clearing Members	258718	0.51
	TOTAL	50586255	100

c. Dematerialization of share as on march 31, 2016:

Form	No. of Shares	% of Total
Held in dematerialized form in CDSL	16470566	32.56
Held in dematerialized form in NSDL	32946394	65.13
Physical form	1169295	2.31
Total	50586255	100

The Company shares are regularly traded on Bombay Stock exchange, in electronic form.

d. Outstanding GDRs/ADRs/ warrants or any convertible instrument, conversion dates and likely impact on equity:

The Company has not issued any Global Depository Receipts/American Depository Receipts/Warrants or any convertible instruments.

e. Plant Location:

Maximaa Systems Ltd., Storage System

Block No. 337/2, situated at village Bamti Taluka,
Dharampur Dist., Valsad (Gujarat),

Ph: 02633 - 242 114,

Fax: 02632 - 222 302

Maximaa Systems Ltd, Proyurveda

Plot No. 804-808, GIDC,
Gundlav, Valsad (Gujarat).

Ph: 02632-236111,

Fax: 02636-222302.

Maximaa Systems Ltd, Information Technology Development Centre

3rd Floor, Dharamdas Chamber, Station Road, Valsad-396001, Gujarat.

f. Address for Correspondence:

1. Investors and Shareholder can correspond with the company at the following address:-

The Company Secretary

240, Naman Plaza, S.V.Road

Kandivali (W), Mumbai- 400067

Ph: 022-2864 8478/ 2801 2704.

The Register and share Transfer Agents of the Company at-

2. Purvasharegistry (India) Private Limited

Mr. Rajesh Shah/V.b.Shah,

Unit No.9, Shiv Shakti IndEstt, JR BorichaMarg,

Opp. Kasturba Hospital Lane

Lower Parel (E), Mumbai- 400011

Ph: 022 2301 0771/2301 8261

Fax: 022-23012517

E-mail id –busicomp@vsnl.com

purvashr@mtnl.com

**FOR AND ON BEHALF OF THE BOARD
Maximaa System Limited**

Sd/-

MANOJ SHAH

CHAIRMAN AND MANAGING DIRECTOR

Place : VALSAD

Date : 30.07.2016

DECLARATION

To,

The Members

MAXIMAA SYSTEMS LIMITED

I, Manoj Shah, managing Director of M/s. Maximaa Systems Limited hereby declare that, as of 31st March, 2016 all the board Members and senior Management have affirmed compliance with Code of Conduct laid down by the Company.

For Maximaa Systems Limited

**Sd/-
Manoj Shah
Managing Director**

Place : Valsad

Date : 30.07.2016

PRACTISING COMPANY SECRETARY'S REPORT ON CORPORATE GOVERNANCE

To
The Members of
Maximaa Systems Limited

We have examined the compliance of conditions of Corporate Governance by Maximaa Systems Limited for the year ended 31st March 2016, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s) in India.

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

In our opinion and to our best information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

FOR DALAL & CO.
COMPANY SECRETARIES

Sd/-
KUNJAL DALAL
C.P. NO. 3863
M. No.3530

PLACE : SURAT
DATE : 30.07.2016

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,

**The Members of
MAXIMAA SYSTEMS LIMITED**

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Bombay Stock Exchange to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said code of conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2016.

Place : Valsad

Date : 30.07.2016

Sd/-

Manoj Shah

Managing Director

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
MAXIMAA SYSTEMS LIMITED

Report on the Financial Statements

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

Management's Responsibility

The Company's Board of Directors is responsible for the matters stated in Section 135(4) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statement give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its 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**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - d. On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - e. 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**".

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

- a. —NIL—
- b. —NIL—

For and on behalf of,

C. D. Khakhkhar & Co.

Chartered Accountants

Firm's registration number: 141767W

Sd/-

Chetan D. Khakhkhar

Proprietor

Membership number: 122647

Place : Valsad

Date : 30.07.2016

“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 title deeds of immovable properties are held in the name of the company.
- (2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has granted interest free loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act and as detailed in the related party transactions disclosure in the notes. According to the information and explanations given to us and in our opinion the terms and condition on which such advances have been given to parties listed in register maintained under section 189 of the Companies Act are not prima facie prejudicial to the interest of the Company. The parties are regular in repaying the advances, or they are either being adjusted or being repaid regularly.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 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 generally regular in depositing undisputed statutory dues including Provident Fund, Employees State 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.
 - a 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 defaulted in the repayment of dues to banks. The Company has not taken any fresh 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 been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 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.
- 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) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of,

C. D. Khakhkhar & Co.

Chartered Accountants

Firm's registration number: 141767W

Sd/-

Chetan D. Khakhkhar

Proprietor

Membership number: 122647

Place : Valsad

Date : 30.07.2016

Annexure B” to the Independent Auditor’s Report of even date on the Standalone and Consolidated Financial Statements of *MAXIMAA SYSTEMS LIMITED* .

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 *MAXIMAA SYSTEMS LIMITED* .

(“the Company”) as of March 31, 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 size of the Company and the nature of its business with regard to purchase of inventory and Fixed Assets and for the sale of goods & services.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the size of the Company and the nature of its business with regard to purchase of inventory and Fixed Assets and for the sale of goods & services

For and on behalf of,

C. D. Khakhkhar & Co.

Chartered Accountants

Firm's registration number: 141767W

Sd/-

Chetan D. Khakhkhar

Proprietor

Membership number: 122647

Place : Valsad

Date : 30.07.2016

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No	Year Ended 31 ST March, 2016 Rs.	Year Ended 31 ST March, 2015 Rs.
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	112,773,510	101,172,510
(b) Reserves and Surplus	2	44,555,524	39,842,406
(2) Equity Share Application Money	3	26,577,500	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	68,516,403	64,576,625
(b) Long-Term Provisions	5	-	4,558,230
(c) Long Term Liabilities	6	1,940,000	2,165,000
(4) Current Liabilities			
(a) Short-Term Borrowings	7	136,330,913	147,030,181
(b) Trade Payables		80,118,311	201,765,036
(c) Other Current Liabilities	8	26,628,456	22,051,973
(d) Short-Term Provisions	9	5,398,383	6,121,455
Total		<u>502,839,000</u>	<u>589,283,416</u>
II ASSETS			
(1) Non-Current Assets			
(a) Fixed assets	10		
(i) Tangible Assets		141,218,656	148,368,321
(ii) Intangible Assets		14,871,301	16,394,497
(b) Non-Current Investments	11	20,090,000	2,090,000
(c) Long Term Loans and Advances	12	39,496,485	10,137,228
(d) Other Non-Current Assets	13	1,123,560	1,123,566
(2) Current Assets			
(a) Inventories	14	162,368,519	149,407,378
(b) Trade Receivables	15	86,730,803	209,750,747
(c) Cash and Cash Equivalents	16	5,839,294	8,445,473
(d) Short-Term Loans and Advances	17	26,136,075	38,700,823
(e) Other Current Assets	18	4,964,307	4,865,383
Total		<u>502,839,000</u>	<u>589,283,416</u>

As per our Attached Report of Even Date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For C. D. Khakhkhar & Co.

Chartered Accountants

F. R. No. : 141767W

Sd/-

CHETAN KHAKHKHAR

Proprietor

Membership No. :122647

Place: Valsad

Date: 30.07.2016

Sd/-

MANOJ SHAH

Managing Director

Sd/-

MAHESH SHAH

Jt. Managing Director

Sd/-

MAYUR SHAH

Jt. Managing Director

Sd/-

SNEHAL TONDWALKAR

Company Secretary

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

Particulars	Note No	Year Ended 31 st March, 2016 Rs.	Year Ended 31 st March, 2015 Rs.
I Revenue from Operations (Net of Excise)	19	194,355,132	253,084,339
II Other Income	20	19,486,413	2,678,792
III Total Revenue (I +II)		213,841,545	255,763,131
IV Expenses:			
a Cost of Materials Consumed	21	36,773,076	41,905,097
b Purchase of Stock-in-Trade	22	120,254,430	163,012,996
c Manufacturing & Operating Costs	23	6,552,932	7,771,458
d Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(5,806,265)	(35,003,544)
e Employee Benefit Expenses	25	21,325,212	31,260,090
f Financial Costs	26	10,340,216	21,281,794
g Depreciation and Amortization Expenses		8,191,576	6,664,114
h Other Expenses	27	23,047,250	18,721,243
Total Expenses		220,678,427	255,613,248
V. Profit before exceptional and extraordinary items and tax (III - IV)		(6,836,882)	149,883
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(6,836,882)	149,883
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		(6,836,882)	149,883
X. Tax Expense :-			
Income Tax for Current Year		-	225,000
Income Tax for Earlier Year		-	23,929
Less : MAT Credit Entitlement		(49,000)	(28,560)
		(49,000)	(4,631)
XI Profit/(Loss) for the period (IX + X)		(6,787,882)	154,514
XII. Earning per equity share:			
Basic & Diluted		(0.13)	0.00

As per our Attached Report of Even Date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For C. D. Khakhkhar & Co.

Chartered Accountants

F. R. No. : 141767W

Sd/-

CHETAN KHAKHKHAR

Proprietor

Membership No. :122647

Place: Valsad

Date: 30.07.2016

Sd/-

MANOJ SHAH

Managing Director

Sd/-

MAHESH SHAH

Jt. Managing Director

Sd/-

MAYUR SHAH

Jt. Managing Director

Sd/-

SNEHAL TONDWALKAR

Company Secretary

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

PARTICULARS	AS AT 31 ST MARCH, 2016 (RS.)	AS AT 31 ST MARCH, 2015 (RS.)
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Exceptional & Extraordinary Items & Tax	(6,836,882)	149,883
Adjustments for :		
Depreciation	8,191,576	6,664,114
Interest & Expenses on Borrowings	10,340,216	21,281,794
Interest Income	(81,571)	(262,140)
Sundry Balances Written Back	(19,390,913)	(222,298)
Provision for Gratuity No Longer Required	-	1,012,652
Adjustments for pending Foreign Exchange Realisations	60,951	(1,296,718)
	<u>(879,741)</u>	<u>27,177,404</u>
Operating Profit before Working Capital Changes	(7,716,623)	27,327,287
Adjustments for :		
Trade Receivables & Other Assets	138,091,947	(99,849,329)
Inventories	(12,961,141)	(55,387,911)
Trade Payables & Other Liabilities	(128,492,582)	109,673,076
	<u>(3,361,776)</u>	<u>(45,564,164)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES A	(11,078,399)	(18,236,877)
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(11,786,413)	(48,002,261)
Interest Income	81,571	262,140
Payments for Equity Share Application Money	-	-
NET CASH FLOW FROM INVESTING ACTIVITIES B	(11,704,842)	(47,740,121)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Receipts for Equity Share Application Money	26,577,500	-
Borrowings (Net)	3,939,778	93,020,112
Interest & Expenses on Borrowings	(10,340,216)	(21,281,794)
NET CASH FLOW FROM FINANCING ACTIVITIESC	20,177,062	71,738,318
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(2,606,179)	5,761,320
CASH AND CASH EQUIVALENTS AS AT 1ST APRIL 2014 (OPENING BALANCE)	8,445,473	2,684,153
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH 2015 (CLOSING BALANCE)	5,839,294	8,445,473

Note :-

- 1 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 'Cash Flow Statement' as specified in the Companies (Accounting Standard) Rule 2006.
- 2 Previous year's figures have been regrouped / reclassified wherever considered necessary.

As per our Attached Report of Even Date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For C. D. Khakhkar & Co.

Chartered Accountants

F. R. No. : 141767W

Sd/-

CHETAN KHAKHKHAR

Proprietor

Membership No. :122647

Place: Valsad

Date: 30.07.2016

Sd/-

MANOJ SHAH

Managing Director

Sd/-

MAHESH SHAH

Jt. Managing Director

Sd/-

MAYUR SHAH

Jt. Managing Director

Sd/-

SNEHAL TONDWALKAR

Company Secretary

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 1 <u>Share Capital</u>		
a <u>Authorised Capital</u>		
10,10,00,000 Equity Shares of Rs.2/-each (Previous year 10,10,00,000 Equity Shares of Rs.2/-each)	202,000,000	202,000,000
b <u>Issued, Subscribed & Paid-Up Capital</u>		
5,05,86,255 Equity Shares of Rs.2/- each & 11,60,100 Equity Shares of Rs. 10/- each (Previous Year 5,02,36,255 Equity Shares of Rs.2/- each) fully paid up.	112773510	101,172,510
Total	112,773,510	101,172,510
<u>Reconciliation of No. of Shares outstanding at the beginning and at the end of the year</u>		No. of Shares
<u>Equity Shares of Rs.2/- each</u>		
No. of Equity Shares at the beginning of the year	50,586,255	50,236,255
Add : No. of Equity Shares issued during the year	-	350,000
No. of Equity Shares at the end of the year	50,586,255	50,586,255
Note 2 <u>Reserves and Surplus</u>		
a <u>Share Premium</u>		
Opening Balance	49,418,430	48,245,930
Add: Proyurveda Lifescience Pvt Ltd Share Premium Received on Allotment of Shares	11,501,000	1,172,500
Closing Balance	60,919,430	49,418,430
b <u>Capital Reserve</u>		
Opening Balance	12,180,000	12,180,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	12,180,000	12,180,000
c <u>Profit & Loss Account</u>		
Opening Balance	(21,756,024)	(21,910,539)
Adjustment (+ / -) (+) Net Profit/(Net Loss) For the Current Year	(6,787,882)	154,515
Closing Balance	(28,543,906)	(21,756,024)
Total	44,555,524	39,842,406

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 3 <u>Share Application Money</u>		
Share Application Money of Rs. 5,77,500/- (Previous Year Rs. Nil) pending for less than 60 day	577,500	-
MONEYS RECEIVABLE AGAINST SHARE WARRANTS	26,000,000	-
	26,577,500	-
Note 4 <u>Long Term Borrowings (Also refer Note - 7)</u>		
A <u>Secured Term Loans - From Banks</u>		
a <u>Nature of Security</u> : Term Loan amounting to Rs. 1,42,57,868/- (Previous year Rs. 1,37,21,007/-) is secured by exclusive and specific charge on the Land & Building and Plant & Machinery at Dharpur.	9,592,868	8074401
Term of Repayment: Repayable in 84 equated monthly installments of Rs. 3,88,751/- from December, 2011. Last installment - November, 2018. Rate of Interest 15.70% p.a.		
b <u>Nature of Security</u> : Term Loan amounting to Rs. 1,52,33,279/- (Previous year Rs. NIL/-) is secured by exclusive and specific charge on the Building at GIDC Gundlav	20,590,654	19,703,615
Term of Repayment: Repayable in 72 equated monthly installments of Rs. 3,12,500/- from November, 2014. Last installment - October 2020. Rate of Interest 15.70% p.a.	-	
c <u>Nature of Security</u> : Term Loan amounting to Rs. 1,10,60,723/- (Previous year Rs. NIL-) is secured by exclusive and specific charge on the Plant & Machinery at GIDC Gundlav	36,609,969	35,032,995
Term of Repayment: Repayable in 72 equated monthly installments of Rs. 5,55,555/- from November, 2014 Last installment - October, 2020. Rate of Interest 15.70% p.a.	-	
d <u>Nature of Security</u> : Term Loan amounting to Rs.47,94,000/- (Previous year Rs. NIL) is secured by Hypothecation over Vehicles in the name of Directors)	1,722,912	1,765,614
Term of Repayment: Repayable in 36 equated monthly installments of Rs. 155429/- from April, 2014. Last installment March, 2017. Rate of Interest 21% p.a.	-	
e <u>Nature of Security</u> : Term Loan amounting to Rs.8,58,337/- (Previous year Rs.15,24,000/-) is secured by Hypothecation over Vehicles in the name of Directors)	-	
Term of Repayment: Repayable in 36 equated monthly installments of Rs. 77,724/- from April, 2013. Last installment March, 2016. Rate of Interest 21% p.a.	-	
Total	68,516,403	64,576,625

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 5		
<u>Long Term Provisions</u>		
Provision for Taxation	-	1,235,000
Provision for Gratuity	-	3,323,230
Total	-	4,558,230
Note6		
<u>Long Term Liabilities</u>		
Dealer Deposits	1,940,000	2,165,000
Total	1,940,000	2,165,000
Note 7		
<u>Short Terns Borrowings</u>		
<u>Secured Working Capital Loan from Banks</u>		
(Secure by Hypothecation of Raw Materials, Work In Progress and Finished Goods, Book Debts and personal guarantee of Directors and further secured by first Equitable Mortgage of Land, Building, Plant & Machinery, Machinery Stores, Tools, Fixtures, Furniture, Fitting Acces., Equipments, Electrical Installation both Present & Future.)	116,895,257	105,304,727
Unsecured - From Others (Including Inter company balances)	19,435,656	41,725,454
Total	136,330,913	147,030,181
Note 8		
<u>Other Current Liabilities</u>	-	-
Current Maturities of Long Term Borrowings (Also refer Note - 3 above)	15,081,660	17,778,283
Duties & Taxes Payable	1,014,525	2,604,696
Advance from Customers	9,393,762	926,943
Payable to Directors	298,200	742,051
Other Liability	840,309	-
Total	26,628,456	22,051,973
Note 9		
<u>Short Term Provisions</u>		
Salary & Wages Payable	2,903,043	2,835,683
Contribution to PF	249,123	755,179
Professional Tax Payable	823,836	675,666
Gratuity Provision	1,323,230	4,379
Insurance Deduction	13,532	-
Bonus Payable	-	314,815
Provisions for Employee Benefits	5,312,764	4,585,722
Others Provisions	85,619	1,535,733
Total	5,398,383	6,121,455

Note 10 : FIXED ASSETS

NO.	FIXED ASSETS Name of Assets	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		OPENING BALANCE AS ON 01-04-2015	ADDITION DURING YEAR	DEDUC- TION	CLOSING BALANCE AS ON 31-03-2016	OPENING BALANCE AS ON 01-04-2015	DURING THE YEAR	'DED./ ADJST	CLOSING BALANCE AS ON 31-03-2016	AS ON 31-03-2016	AS ON 31-03-2015
A	TENGIBLE ASSETS										
1	Land	193,175	-	-	193,175	-	-	-	-	193,175	193,175
2	Land Development	242,069	-	-	242,069	-	-	-	-	242,069	242,069
3	Building	54,020,253	-	-	54,020,253	5,341,801	534,180	-	4,807,621	49,212,632	48,678,452
	Factory - Storage	19,079,653			19,079,653	4,105,131	410,513.10	-	3,694,618	15,385,035	14,974,522
	Factory - Proyurveda	32,411,184			32,411,184	379,610	37,961.00	-	341,649	32,069,535	32,031,574
	Office	1,773,751			1,773,751	643,435	64,343.50	-	579,092	1,194,660	1,130,316
	Staff Quarter	442,883			442,883	142,090	14,209.00	-	127,881	315,002	300,793
	Office IT	312,782	-	-	312,782	71,535	7,153.50	-	64,382	248,401	241,247
4	Plant & Machinery	101,446,470	68,565	-	101,515,035	16,692,670	3,503,900	-	13,188,770	72,433,412	84,753,800
	P & M - Storage	38,400,061			38,400,061	15,066,947	3,260,042.00	-	11,806,905	26,593,156	23,333,114
	P & M - Proyurveda	58,026,567	60,245		58,086,812	834,840	125,226.00	-	709,614	41,527,459	57,191,727
	Electricals - Storage	2,805,044			2,805,044	504,327	75,649.05	-	428,678	2,376,366	2,300,717
	Electricals - Proy.	1,451,603	8,320		1,459,923	17,002	2,550.30	-	14,452	1,445,471	1,434,601
	DG Set	657,345	-		657,345	207,115	31,067.25	-	176,048	481,297	450,230
	P & L IT- DG	105,850	-		105,850	62,439	9,365.85	-	53,073	9,662	43,411
5	Computers	4,157,375	26,210	-	4,183,585	3,055,853	1,864,048	-	1,191,805	2,378,989	1,101,522
	Computers - Storage	1,616,629	26,210		1,642,839	1,484,937	890,962.20	-	593,975	436,073	131,692
	Computers - IT	2,425,531			2,425,531	1,550,433	960,795.80	-	589,637	1,835,894	875,098
	Computer Proyu	115,215			115,215	20,483	12,289.80	-	8,193	107,022	94,732
6	Furniture & Fixtures	4,986,878	89,191	-	5,076,069	1,806,996	180,700	-	1,626,296	3,036,040	3,179,882
	Factory - Storage	1,481,054	89,191		1,570,245	495,501	49,550.10	-	445,951	1,124,294	985,553
	Factory - Proyurveda	167,135			167,135	1,958	195.80	-	1,762	165,373	165,177
	Office	1,372,614			1,372,614	832,677	83,267.70	-	749,409	209,472	539,937
	Furniture -IT	1,966,075			1,966,075	476,860	47,686.00	-	429,174	1,536,901	1,489,215
7	Office Equipments	4,259,966	10,500	-	4,270,466	716,434	107,465	-	608,969	3,661,497	3,543,532
	Office - Storage	1,244,546	10,500		1,255,046	575,508	86,326.20	-	489,182	765,864	669,038
	Office - Proyurveda	2,397,974			2,397,974	28,086	4,212.90	-	23,873	2,374,101	2,369,888
	Office - IT	617,446			617,446	112,840	16,926.00	-	95,914	521,532	504,606
8	Vehicles	9,230,724	52,800	-	9,283,524	2,554,835	383,225	-	2,171,610	6,919,589	6,675,889
	Tempo -1259	640,000	-		640,000	526,878	79,031.70	-	447,846	334,724	113,122
	Car- 3725	829,357	-		829,357	467,042	70,056.30	-	396,986	34,671	362,315
	Car 4480	640,478	-		640,478	497,689	74,653.35	-	423,036	280,247	142,789
	Car 4470	983,249	-		983,249	457,552	68,632.80	-	388,919	594,330	525,697
	BIKE 7005	43,640	52,800		96,440	39,800	5,970.00	-	33,830	62,610	3,840
	M BENZ	6,094,000	-		6,094,000	565,874	84,881.10	-	480,993	5,613,007	5,528,126
9	Capital WIP	-	-	-	-	-	-	-	-	-	-
	CURRENT YEAR TOTAL (A)	178,536,910	247,266	-	178,784,176	30,168,589	6,573,518	-	30,168,589	138,077,402	148,368,321
	Previous Year										
B	INTENGIBLE ASSTS										
1	Formulations Trademarks	10,084,228	-	-	10,084,228	2,857,190	714,297.50	-	2,142,893	7,941,336	7,227,038
2	Patents	12,782,500	-	-	12,782,500	3,615,041	903,760.25	-	2,711,281	10,071,219	9,167,459
	CURRENT YEAR TOTAL (B)	22,866,728	-	-	22,866,728	6,472,231	1,618,058	-	6,472,231	18,012,555	16,394,497
	Previous Year										
	Current yr Grp Total (A+B)	164,762,818	247,266	-	201,650,904	36,640,820	8,191,576	-	36,640,820	156,089,957	164,762,818
	Previous Year										
	SEGMENT :										
	STORAGE	46,036,604	178,701	-	71,794,892	25,579,587	5,194,218	-	25,579,587	50,623,045	46,036,604
	IT	3,515,892	-	-	6,257,041	2,741,149	1,111,983	-	2,741,149	4,142,727	3,515,892
	PROYURVEDA	115,210,322	68,565	-	123,598,971	8,320,084	1,885,375	-	8,320,084	101,324,185	115,210,322
	TOTAL	164,762,818	247,266	-	201,650,904	36,640,820	8,191,576	-	36,640,820	156,089,957	164,762,818

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 11 <u>Long Term Investments</u> (Unquoted - Non-Trade)		
Equity Share With Essenza Life Science Ltd	2,090,000	2,090,000
Equity Share With Proyurveda Lifescience Pvt. Ltd.	18,000,000	-
Total	20,090,000	2,090,000
Note 12 <u>Long Term Loans and Advances</u> (Unsecured - Considered Good)		
Security Deposits	8,667,989	8,612,302
Advance Income Tax & TDS	123,233	1,094,525
Margin Money Recurring Deposit		430,401
Advance given to Maximaa Systems Limited by PLPL	9,393,762	
Advance given to Bennett Coleman & Co by PLPL	21,311,501	
Total	39,496,485	10,137,228
Note 13 <u>Other Non-Current Assets</u>		
MAT Credit Entitelment	1,123,560	1,123,566
Total	1,123,560	1,123,566
Note 14 <u>Inventories</u>		
Raw Materials	45,226,458	33,881,130
Work In Progress	62,556,768	64,074,099
Finished Goods	41,878,973	38,279,607
Stock In Trade	12,323,289	8,981,284
Packing Materials	-	3,808,227
Plant & Machinery held for disposal	383,031	383,031
Total	162,368,519	149,407,378
Note 15 <u>Trade Receivables (Unsecured - Considered Good)</u> (Unsecured - Considered Good)		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment.	57,964,643	65,632,346
Trade Receivables outstanding for a period less than six months from the date they are due for payment.	28,766,160	144,118,401
Total	86,730,803	209,750,747
Note 16 <u>Cash and Cash Equivalents</u>		
Balances with Banks	1,772,410	911,406
Cash on Hand	4,066,884	1,406,811
Cheque On Hand	-	1,899,256
Margin Money Deposits with Bank	-	4,228,000
Total	5,839,294	8,445,473

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 17 <u>Short Term Loans and Advances</u> (Unsecured - Considered Good)		
Advances to Suppliers	-	388,568
Capital Advances	-	24,870,000
Advances to Related Parties	4,681,309	4,999,448
Advances to Employees	673,044	538,523
Prepaid Expenses	21,545	50,946
Balances with Government Authorities	2,507,436	1,587,558
Fixed Deposit with Bank	9,500,000	
Other Loans & Advances	8,752,741	6,265,780
Total	26,136,075	38,700,823
Note 18 <u>Other Current Assets</u>		
Accrued Interest on Deposits	202,068	103,144
Accrued Foreign Exchange Gain (Net)	4,762,239	4,762,239
Total	4,964,307	4,865,383
Note 19 <u>Revenue from Operations</u>		
<u>Sale of Products</u>		
<u>Manufactured Sales</u>		
- Storage Systems Division	45,191,792	63,794,267
- Proyurveda Division	21,429,729	18,239,946
<u>Trading Sales</u>		
- Storage Systems Division	30,990,327	65,747,137
- Proyurveda Division	82,999,620	101,091,803
- PLPL (Subsidiary Co)	8,015,765	
<u>Income from Services</u>		
Erection Services	1,101,833	1,160,215
Information Technology Services	10,751,814	10,479,630
Less: Excise Duty Recovered	6,125,748	7,428,659
Total	194,355,132	253,084,339
<u>Details of Sale Products</u>		
<u>Class of Goods</u>		
<u>Manufacturing Goods</u>		
Racks	-	52,936,373
Cabinets	-	1,903,950
Pallets	-	1,385,225
Others	-	1,510,269
Proyurveda Formulations	-	18,239,946
Add :	-	-
Excise Duty Recovered	-	7,428,659
TOTAL - (A)	-	83,404,422

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
<u>Stock in Trade</u>		
HR Coils	-	-
S S Sheets	-	
Polymer Pallets	-	
Door Closer	-	
MS Channel & Plates	-	
Proyurvedic - Trading	-	101,091,803
TOTAL - (B)	-	101,091,803
Total (A + B)	-	184,496,225
Note 20 <u>Othe Income</u>		
Rent Income	74,880	74,880
Interest Income	81,571	262,140
Foreign Exchange Gain (Net)	(60,951)	1,296,718
Gratuity Provision Written Back	-	-
Discount Received	-	822,756
Sundry Balances Written Back	19,390,913	222,298
Total	19,486,413	2,678,792
Note 21 <u>Cost of Materials Consumed</u>		
<u>- Storage Systems Division</u>		
Opening Stock	20,066,543	13,860,800
Add : Purchases	31,520,110	47,667,032
Total :	51,586,653	61,527,832
Less: Closing Stock	20,641,586	20,066,543
	30,945,067	41,461,289
<u>- Proyurveda Division</u>		
Opening Stock	17,622,814	3,786,104
Add : Purchases	12,790,067	14,280,518
Total :	30,412,881	18,066,622
Less: Clsoing Stock	24,584,872	17,622,814
	5,828,009	443,808
Total Cost of Materials Consumed :	36,773,076	41,905,097
<u>Details of Material Consumed</u>		
<u>Storage Systems Division</u>		
CR sheets / HR Coils	-	
S S Sheets	-	
Paints	-	
Others / Hardwares	-	
Total	-	
<u>Proyurvedic Items</u>		
Total		

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 22 <u>Purchase of Stock In Trade</u>		
Storage Systems Division	30,820,918	64,776,123
Proyurveda Division	85,280,632	98,236,873
PLPL (Subsidiary Co)	4,152,880	
Total	120,254,430	163,012,996
<u>Purchase of Stock -In- Trade</u>		
SS Sheets	-	-
CR Sheets	-	-
MS Angles, Channels & Plates	-	
Proyurvedic Items	-	
Total	-	-
Note 23 <u>Manufacturing and Operating Costs</u>		
Processing Charges	11,121	41,543
Consumables Stores	163,352	116,519
Freight & Carriage Expenses	1,021,872	884,762
Information Technology Service Expenses	403,451	-
Other Factory Expenses	2,886,244	3,410,684
Packing Expenses	10,835	110,095
Power & Fuel	1,961,993	2,636,867
Repairs And Maintenanace - Factory Building	-	74,500
Repairs And Maintenanace - Plant & Machinery	94,064	496,488
Total	6,552,932	7,771,458
Note 24 <u>Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade</u>		
<u>Opening Stock</u>		
Material In Process	64,074,099	49,634,180
Finished Goods	38,279,607	18,002,613
Stock In Traded	8,981,284	8,352,739
Total	111,334,990	75,989,532
<u>Less : Closing Stock</u>		
Material In Process	62,556,768	64,074,099
Finished Goods	41,878,973	38,279,607
Stock In Traded	12,323,289	8,981,284
Total	116,759,030	111,334,990
	(5,424,040)	(35,345,458)
Excise Duty on Closing Stock of Finished Goods	-	382,225
Less : Excise Duty on Opening of Finished Goods	382,225	40,311
Add (Less) : Variation in Excise Duty on Opening & Closing Stock of Finished Goods	(382,225)	341,914
Total of Change In Inventories	(5,806,265)	(35,003,544)

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 25 <u>Employee Benefit Expenses</u>		
Salaries and Wages	17,573,609	26,389,659
Directors Remuneration	2,873,940	2,489,940
Contribution to Provident and Other Funds	625,987	649,592
Bonus	45,507	250,980
Gratuity	37,820	1,047,615
Staff Welfare Expenses	168,349	432,304
Total	21,325,212	31,260,090
<u>Payments provided for the Directors</u>		
On Account of Salary to Directors	-	2,489,940
Note 26 <u>Finance Costs</u>		
Interest Charges	9,982,906	19,695,480
Other Borrowing Costs	357,310	1,586,314
Total	10,340,216	21,281,794
Note 27 <u>Other Expenses</u>		
Advertisement Expenses	96,550	100,400
Audit Fees	55,000	269,664
Bank Charges	27,611	86,422
Commission on Sales	275,755	522,570
Custody Fees & RTA Expenses	211,000	125,346
Electricity Expenses	701,521	746,478
PLPL (Subsidiary Co) Exp	10,344,140	
Insurance Expenses	-	107,725
Legal & Professional Fees	804,140	999,429
Listing Fees	200,000	230,338
Misc. Expenses	1,407,093	1,041,028
Sundry Dr Bal W/Off	344,268	294,303
Postage & Couriers Expenses	81,864	114,755
Printing & Stationery Expenses	131,812	224,162
Rates & Taxes	591,736	760,669
Rent	1,023,000	1,216,484
Repairs & Maintenance - Others	288,411	316,639
Selling & Distribution/ Business Promotion Expenses	181,912	3,793,776
Telephone & Mobile Expenses	524,184	925,615
Tempo Expenses	0	183,138
Travelling & Conveyance Expenses	354,742	5,800,796
Vehicle Expenses	57,261	861,506
TOTAL	23,047,250	18,721,243
<u>Details of Payments to Auditors</u>		
Statutory Audit Fees (Including Service Tax)	-	269,664
TOTAL	-	269,664

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
Note 28 Expenditure in Foreign Currency		
On account of Import of Traded Goods	0	-
On account of Foreign Travel Expenses	0	-
Note 29 Earning in Foreign Currency		
On account of Export of Traded Goods	0	-
On account of Export of Information Technology Services	0	-
Note 30		
a Trade Payables includes Rs. 2,20,582/- (previous year Rs. 4,84,449/-) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006.		
b No Interest is paid / payable during the year to any enterprise register under the MSMEDA, 2006		
c The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of the suppliers under the MSMESA, 2006.		
Note 32 <u>Disclosures pursuant Accounting Standard - 15 'Employees Benefits'</u>		
<u>Details of Provisions for Gratuity</u>		
A <u>Expenses Recognized in the Statement of Profit & Loss Account</u>		
i Current Service Cost		-
ii Interest Cost		-
iii Expected Return on Planned Assets		-
iv Net Actuarial (Gain) / Loss recognized during the year		-
v Settlement Cost / Others		-
Total Expenses	-	-
B <u>Net Assets / Liability Recognized in the Balance Sheet</u>		
i Present value of the obligation		-
ii Fair Valued of Planned Assets		-
iii Net Assets/ Liability recognized in the Balance Sheet		-
iv Add: Provosion for seprated employee / others		-
Total Provision	-	-
C <u>Change in Present Value of Obligation</u>		
i Present Value of obligation as on 01-04-2013		-
ii Current Service Cost		-
iii Interest Cost @ (0.0825)		-
iv Benefits Paid		-
v Net Actuarial (Gain) / Loss recognized during the year		-
Present Value of obligation as per actuarial valuation as at 31-03-14		-
vi Add: Provision for seprated employee / others		-
Total Provision	-	-

D Actuarial Assumptions:

i	Withdrawal Rate	0
ii	Salary Growth	0
iii	Mortality Rate Indian Assured Lives (2006-08) Ultimate Mortality Rates	
iv	Rate of Interest	0.00%
v	Retirement Age	0

Note 33

Significant accounting policies and practice adopted by the Company are disclosed in the statement annexed to these financial statements as **Annexure I**

As per our Attached Report of Even Date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For C. D. Khakhkar & Co.

Chartered Accountants
F. R. No. : 141767W

Sd/-
CHETAN KHAKHKHAR
Proprietor
Membership No. :122647

Place: Valsad
Date: 30.07.2016

Sd/-
MANOJ SHAH
Managing Director

Sd/-
MAHESH SHAH
Jt. Managing Director

Sd/-
MAYUR SHAH
Jt. Managing Director

Sd/-
SNEHAL TONDWALKAR
Company Secretary

Note 31 Related Party Disclosure (As identified by the Management)

1. Related Party Relationships

- | | | | |
|------|-------------------------------------------------------------------------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------|
| i. | Enterprises owned by Directors or Major Shareholders where control exist | : | Shree Laxmi Industries
Adfac Laboratories Pvt Ltd
EssenzaaLifescience Ltd
Anukaran Commercial Enterprises Ltd |
| ii. | Key Managerial Personnel | : | Mr. Mayur Shah
Mr. Manoj Shah
Mr. Mahesh Shah
Dr. D.R.K. Reddy |
| iii. | Relatives of key managerial personnel and their enterprises Where transactions have taken place | : | Mrs. Shaila Shah
Mrs. Shyama Reddy
Mr. Kunal Manoj Shah
Mr. TarangMayur Shah
M/s. Mahesh B Shah HUF
M/s. Mayur B Shah HUF |

2. Transactions with Related Parties

	Nature of Transactions (Excluding Reimbursement)	Enterprises owned by Directors or Major Shareholders where control exist	Key managerial Personnel	Relatives of KMP and their enterprises where transactions have taken place	Total
I	Director Remuneration		20,55,845		2055845
ii	Rent		423000		423000
iii	Salary			930000	930000
iv	Rent Income		93600		93600
v	Sale of Traded Goods	3443941			3443941
vi	Share Application Money paid	577500			577500

3. Balance Outstanding as on 31-03-2016

	Nature of Transactions (Excluding Reimbursement)	Enterprises owned by Directors or Major Shareholders where control exist	Key managerial Personnel	Relatives of KMP and their enterprises where transac- tions have taken place	Total
I	Advances Given	4790454			4790454
ii	Sundry Debtors	3443941			3443941
iii	Security Deposit Given		7582821		7582821
iv	Share Application Money Received	577500			577500
v	Unsecured Loan Accepted	11355000			11355000

Note: Related Party relationship is as identified by the company and relied upon by the auditor

Annexure – I

STATEMENT OF SIGNIFICANT ACCOUNTING POLICES AND PRACTICIES

1 General:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to circular 15/2013 dated 13-9-2013 read with circular 08/2014 dated 4-4-2014, till the standards of Accounting or any addendum there to are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under section 211(3C) (Companies Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 1956.

All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria set out in Schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for purpose of current - non current classification of assets and liabilities.

2 Recognition of Income and Expenditure :

- I. Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred.
- II. Sale of Goods is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.

3 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

4 Fixed Assets:

- i Land Free Hold - At Cost
- ii Other Fixed Assets - At Cost less Depreciation

'Cost' for the aforesaid purpose comprises of its purchase price and attributable cost for bringing the asset to its working condition for its intended use.

5 Depreciation :

- i. Depreciation on Fixed Assets is provided on Straight Line Method in accordance with the provisions of Company Act, 1956 at the rates specified in Schedule XIV of the Companies Act 1956, as revised by GSR No.756 (E) Dated 10.12.93 by the Central Government, except in case of following Assets, which are amortized over the period as estimated by the management, as under. :-

Nature of assets	Period of Amortization
Building	60 years
Plant & machinery	60 years
Office equipment's	10 years
Vehicles	8 years

- ii. Depreciation on Fixed Assets acquired during the year is provided from the month in which assets is put to use.
- iii. Plant & Machinery acquired during the year but not put to use are shown as Capital Work-In-Progress and no depreciation is claimed thereon.

- iv. Depreciation on Fixed Assets disposed off during the period under consideration is provided up to the month of disposal.

6 Investments:

Non- current investments are stated at cost.

7 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

8 Impairment of Assets

Impairment loss is provided to the extent the carrying amount(s) of assets exceed their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

9 Inventories

Items of inventory are valued at Cost or Net Realizable Value, whichever is lower as ascertained by the management. Cost is determined on the following basis. :-

Raw Materials, Stores and Spares	FIFO
Work In Process and Finished Goods	At material cost plus appropriate value of overheads
Trading Goods	FIFO

10 Retirement Benefits to Employees

- i The Company contributes towards Provident Fund and Family Pension Fund, which are defined contribution schemes. Liability in respect thereof is determined on the basis of contribution as required under the statutes / rules.
- ii Gratuity liability as on 31-03-2016 has been recognized in Balance Sheet. No provision is required to be made for leave encashment.

11 Foreign Currency Transactions

Transactions in foreign currency are recorded at the original rates of exchange in force at the time transactions are effected. At the year-end, monetary items denominated in foreign currency and exchange contracts are reported using closing rates of exchange. Exchange differences arising thereon and on realization of foreign exchange are accounted in the relevant year, as income or expense.

11 Taxes on Income

Tax expense comprises of both current and deferred tax at the applicable enacted / substantively enacted rates. Current tax represents the amount of income-tax payable in respect of the taxable income for the reporting period. Deferred tax represents the effect of current year timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets are recognized only to the extent that there is a reasonable certainty that sufficient future Taxable Income will be available against which such Deferred tax Assets can be realized.

- 12 The accounts of customers / suppliers are under reconciliation / confirmation and the same have been taken as per balances appearing in the books. Any difference arising on account of such reconciliation, which are not likely to be material, will be accounted for as and when these reconciliation are completed.

- 13 Previous year's figures have been regrouped / reclassified wherever considered necessary.

MAXIMAA SYSTEMS LIMITED

CIN: L27100GJ1990PLC014129

Regd. Off: B-1, Yashkamal, Tithal Road, Valsad, Gujarat-396 001 (INDIA)

ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full Name of the Member attending

(IN BLOCK LETTERS): _____

Full Name of Proxy

(IN BLOCK LETTERS): _____

(To be filled in if Proxy attends instead of the Member)

I/We hereby record my/our presence at the **26th ANNUAL GENERAL MEETING** of the Company at B-1, Yashkamal, Tithal Road, Valsad, Gujarat- 396 001 to be held on Friday, 30th September, 2016, at 9:30 a.m.

Ledger Folio No. _____

DP ID * _____

CLIENT IN * _____

No of Shares held _____

Member's /Proxy's Signature

(To be signed at the time of handling over this slip)

* Applicable for the members holding shares in electronic form.

Note:

1. Members are requested to bring their copies of the Annual Report to the meeting.
2. Please carry with you this Attendance Slip and hand over the same duly signed at the space provided, at the entrance of the meeting hall.

MAXIMAA SYSTEMS LIMITED

Regd. Office : B-1, Yashkamal, Tithal Road, Valsad, Gujarat-396001 (INDIA)

**Proxy form - Form No. MGT-11
(Pursuant to section 105(6) of the Companies Act, 2013 and rules 19 (3) of the Companies
(Management and administration) Rules 2014)**

CIN : L27100GJ1990PLC014129
Name of the Company : MAXIMAA SYSTEMS LIMITED
Registered Office : B-1, YASHKAMAL, TITHAL ROAD, VALSAD 396001

Name of the member(s) :	
Registered Address :	
Email Id:	
Folio No. / Client Id:	

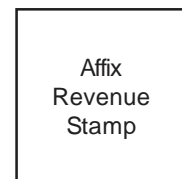
I/We, being the member (s) of _____ shares of Maximaa Systems Limited, hereby appoint:-

1. _____ of _____ having email id _____ or falling him
2. _____ of _____ having email id _____ or falling him
3. _____ of _____ having email id _____ or falling him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual general meeting, to be held on Friday, 30th September, 2016 at 09.30 A.M. at B-1, Yashkamal, Tithal Road, Valsad 396001, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1. _____
2. _____
3. _____



Signed this _____ day of _____ 2015.

Signature of Shareholder:

Signature of Proxy shareholder(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. A Proxy need not be a member of the company

BOOK-POST

If undelivered please returns to:

MAXIMAA SYSTEMS LIMITED

241, Naman Plaza, S.V.Road,

Kandivali (W), Mumbai- 400067 (INDIA)

Ph : 022-28648478, 65160300

Fax : 022-67102400