

MAXIMAA SYSTEMS LTD.

CIN No. L27100GJ1990PLC014129

115, B Wing, Western Edge - 2, W.E. Highway,
Borivali (East), Mumbai – 400066, Maharashtra.

PH: +91 22 6243 8100 / 8124

Website: www.maximaagroup.com



Date: 12th October, 2018

To,

Metropolitan Stock Exchange of India Limited

04th Floor, Vibgyor Towers,
Plot No. C-62, Opp Trident Hotel,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400098.

SYMBOL: MAXIMAA

Sub: Submission of Annual Report for the financial year 2017-18

Dear Sir / Madam,

In accordance with the provisions of Regulation 34 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the financial year 2017-18.

We hereby confirm that the Annual Report for the financial year 2017-18 was approved and adopted by the Members of the Company at their 28th Annual General Meeting held on **Saturday, 29th September, 2018.**

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

For Maximaa Systems Ltd.



Nagraj Mogaveera

Company Secretary & Compliance Officer

Membership No: A49737

Registered Office:

B-1, Yashkamal, Tithal Road, Valsad -396 001, Gujarat, India | Web: www.maximaagroup.com

MAXIMAA SYSTEMS LIMITED

28TH ANNUAL REPORT

F. Y. 2017-18



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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
Mr. Viral Chitalia	:	Independent Director
Mr. Samirkumar Mapara	:	Independent Director
Dr. Milan Desai	:	Independent Director (up to 12.08.2017)
Ms. Shaila Shah	:	Woman Director (up to 14.12.2017)
Dr. Pratchi Mavani	:	Additional Independent Woman Director (w.e.f 19.01.2018)

Chief Financial Officer

Mr. Praveen Sethia (Chief Financial Officer)

Company Secretary

Mr. Nagraj Mogaveera(Company Secretary and Compliance Officer)

Statutory Auditor**M/s. C. D. Khakhkar & Co., Chartered Accountants**

103, Tirupati Towers, Opp Heena Arcade, GIDC Char Rasta, Vapi – 396195, Gujarat.

Internal Auditor

NPV & Associates, Chartered Accountants, Mumbai, Maharashtra

Secretarial Auditor

Mr. KunjalDalal (K. Dalal & Co.) Practicing Companies Secretaries, Surat, Gujarat.

Principal Bankers

Bank of India

Registrar and Share Transfer Agents**Purva Sharegistry (India) Private Limited,**

Unit No. 9, Shiv Shakti Ind. Estate. J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E),
Mumbai- 400 011, Maharashtra. PH: 022- 2301 6761/8261, Fax: 022- 2301 2517

Registered Office

B-1, Yashkamal, Tithal Road, Valsad-396 001, Gujarat (INDIA)

PH: 02632- 222 402/403, Fax: 02632- 222 302

Email: cs@maximaasystems.com, Website: www.maximaagroup.com

Corporate office

115, B Wing, Western Edge - 2, Western Express Highway, Borivali (East), Mumbai - Maharashtra (INDIA)
PH: 022- 6243 8100 / 8124

Plant Locations

Maximaa Systems Limited (Storage Systems): Block No. 337/2, situated at
village, Bamti Taluka, Dharampur Dist., Valsad-396050, (Gujarat), Ph: 02633 - 242 114, Fax: 02632 - 222 302.

Maximaa Systems Limited (Proyurveda Division): Plot No. 804-808, GIDC, Gundlav, Valsad – 396035,
(Gujarat) Ph: 02632-236111, Fax: 02636-222302.

NOTICE OF AGM

NOTICE IS HEREBY GIVEN THAT 28TH ANNUAL GENERAL MEETING OF THE MEMBERS OF MAXIMAA SYSTEMS LIMITED (CIN: L27100GJ1990PLC014129) WILL BE HELD ON SATURDAY, 29TH SEPTEMBER, 2018 AT 10:30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT B-1, YASHKAMAL, TITHAL ROAD, VALSAD-396 001, GUJARAT, INDIA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1. To Receive, Consider and Adopt:**
 - a. The Audited Standalone Financial Statements of the Company for the financial year ended **31st March, 2018** together with the Reports of the Board of Directors and Auditor's Report thereon; and
 - b. The Audited Consolidated Financial Statements of the Company for the financial year ended **31st March, 2018**, together with the Report of the Board of Directors and the Auditor's Report thereon.
- 2. To appoint a Director in place of **Mr. Mayur Shah** (holding DIN **00016358**), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

- 3. Appointment of **Dr. Pratichi Mavani** (DIN: **08045398**) as a **Non-Executive Independent Woman 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) **Dr. Pratichi Mavani (DIN: 08045398)**, who was appointed as an Additional Non-Executive Independent Woman Director of the company by the Board of Directors at their meeting held on **19th January, 2018** 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 **Non-Executive Independent Woman Director** of the Company to hold office for a term of 5 consecutive years commencing from the date of 19th January, 2018 and to hold office until 33rd Annual General Meeting of the Company.”

Place: Valsad
Date: 05th September, 2018

Registered Office:
B-1, Yashkamal,
Tithal Road, Valsad – 396001,
Gujarat, India.

By Order of the Board of Directors
For MAXIMAA SYSTEMS LIMITED

Sd/-
Nagraj Mogaveera
Company Secretary & Compliance Officer
M. No: A49737

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. A proxy in order to be valid, must be signed, dated, properly stamped and deposited either in person or through the post so as to reach the Company at its Registered Office at least 48 hours before the commencement of the meeting.
4. The Register of Members and Share Transfer Books shall remain closed from **23rd September, 2018** to **29th September, 2018** (both days inclusive).
5. 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.
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 shares 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.
No. 9, Shiv Shakti Industrial Estate, Ground Floor,
J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel,
Mumbai - 400 011, Maharashtra, India.
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 Companies Act, 2013 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 Annual General Meeting.

- 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 Meeting. 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 meeting.
 - c. Members can opt for only one mode of voting, i.e., either by Voting by polling paper at the meeting or e-voting facilities provided by the company. If Members opt for e-voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting may also attend the Meeting and participate in the Meeting, but shall not be entitled to cast their vote again.
 - d. 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**.
 - e. A Member cannot exercise his vote by proxy on e-voting.
 - f. The Company has appointed **Mr. Kunjal Dalal, (K. Dalal & Co.) Practicing Company Secretaries, Surat**, as a Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
 - g. 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 **109848**. 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 / k_dalal@rediffmail.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 **Wednesday, 26th September, 2018 at 9.00 a.m.** and ends on **Friday, 28th September, 2018 at 5.00 p.m.** During this period, Members holding shares either in physical form or in dematerialized form, as on **Saturday, 22nd September, 2018** 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 i.e. **Saturday, 22nd September, 2018**. 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 polling paper.
- iii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. **Saturday, 22nd September, 2018**, 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. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- v. The Scrutinizer shall, immediately after the conclusion of voting at the Annual 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 authorised by him in writing who shall countersign the same.
- vi. 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.

Place: Valsad
Date: 05th September, 2018

Registered Office:
B-1, Yashkamal,
Tithal Road, Valsad – 396001,
Gujarat, India.

By Order of the Board of Directors
For MAXIMAA SYSTEMS LIMITED

Sd/-
Nagraj Mogaveera
Company Secretary & Compliance Officer
M. No: A49737

In pursuance of Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 “General Meetings”, details of directors seeking appointment / re-appointment at ensuing Annual General Meeting are as follows:

Name	Mr. Mayur Shah	Dr. Pratichi Mavani
Date of Birth	14-12-1954	05-03-1988
Date of Appointment as Director	01-02-1994	19-01-2018
Qualifications	M. Com	M.B.B.S, Md
Nature of Expertise and Experience	He has 30 years of experience in the industry and he is an In-charge of the IT Segment of the Company.	She has over 10 years of experience in Medicine and Pharma Industry.
Name of the other Companies / LLP in which he / she holds Directorship / Designated Partnership.	NIL	NIL
Chairman / Member of Committees of the Board of other companies in which he is a Director	NIL	NIL
Shareholding in the Company (Nos & %)	46,33,205 Equity Shares (9.16%)	NIL
Terms and Conditions of re-appointment	He will be liable to retire by rotation.	She will not be liable to retire by rotation.
Relationship with any Director (s) of the Company	Relative of Director	Not related
Justification for appointing as an Independent Director	NA	She has over 10 years of experience in Medicine and Pharma Industry. Her association would be immense of benefit to the Company and it is desirable to avail services of Dr. Pratichi Mavani as an Independent Woman Director.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**ITEM NO 3:****Appointment of Dr. Pratchi Mavani (DIN: 08045398) as a Non-Executive Independent Woman Director of the Company.**

Dr. Pratchi Mavani (DIN:08045398) being eligible, was appointed as an Additional Non-Executive Independent Director for a period of five years with effect from **19th January, 2018**, subject to approval of shareholders at the ensuing Annual General Meeting. She is M.B.B.S, Md and has over 10 years of experience in Medicine and Pharma Industry.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Woman Director requires approval of shareholders.

Dr. Pratchi Mavani (DIN: 08045398) has given the requisite declaration pursuant to Section 149(7) of the Companies Act, 2013, to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received notice along with requisite deposit under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Independent Director. Further, she is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as Director.

In the opinion of the Board, **Dr. Pratchi Mavani (DIN: 08045398)** fulfills the conditions specified in the Act and the Rules made there under for her appointment as Independent Woman Director and she is independent of the management.

The Nomination and Remuneration Committee has also recommended the appointment of **Dr. Pratchi Mavani (DIN: 08045398)** as Independent Woman Director for a period of 5 years w.e.f **19th January, 2018**.

The draft letter for her appointment is available for inspection by members at the registered office of the Company between 11 a.m. to 1 p.m. on any working day of the Company.

The Board recommends the resolution in relation to appointment of **Dr. Pratchi Mavani (DIN: 08045398)** as a Non-Executive Independent Woman Director, as set out at Item No. 3 of the Notice, for the approval by the shareholders of the Company.

Dr. Pratchi Mavani (DIN: 08045398) is not holding any shares in the Company. Except **Dr. Pratchi Mavani (DIN: 08045398)** being an appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise in the said resolution.

Place: Valsad
Date: 05th September, 2018

Registered Office:
B-1, Yashkamal,
Tithal Road, Valsad – 396001,
Gujarat, India.

By Order of the Board of Directors
For MAXIMAA SYSTEMS LIMITED

Sd/-
Nagraj Mogaveera
Company Secretary & Compliance Officer
M. No: A49737

DIRECTORS' REPORT

To,
The Members,

Maximaa Systems Limited

Your Directors have pleasure in presenting their **28th Annual Report** on the business and operations of the Company and Audited Accounts for the financial year ended **31st March, 2018**.

1. FINANCIAL RESULTS& OPERATIONS:

The summarized financial performance of the Company for the financial year ended **31st March, 2018** as compared to previous year is as under :

(Rs in Lakhs)

PARTICULARS	Standalone		Consolidated	
	For the Year ended 31 st March, 2018	For the Year ended 31 st March, 2017	For the Year ended 31 st March, 2018	For the Year ended 31 st March, 2017
Revenue from Operations	1217.35	1228.47	1222.18	1309.18
Other Income	19.41	(1.09)	20.38	0.44
Total Revenue	1236.76	1227.37	1242.56	1309.62
Total Expenditure	1236.51	1201.02	1269.03	1530.29
Exceptional Items	-	-	-	-
Profit / Loss before Tax	0.25	26.34	(26.47)	(220.67)
Tax Expenses / Benefits	-	-	-	-
Profit / Loss after Tax for the year	0.25	26.34	(26.47)	(220.67)
Basic EPS	0.0005	0.052	(0.052)	(0.436)
Diluted EPS	0.0005	0.052	(0.052)	(0.436)

2. FINANCIAL HIGHLIGHTS/PERFORMANCE:
a. Standalone Results:

During the financial year 2017-18 under review as per **Standalone Financial Results**, the Company has recorded a decreased in **operating revenue** by 11.12 lakhs compared with the operating revenue of previous year. **Profit & Loss before Tax** have been decreased by **Rs. 26.09 Lakhs** and **Profit & Loss after Tax** have decreased by **26.09 Lakhs** compared with the **PBT** and **PAT** of previous year **2016-17**.

b. Consolidated Results:

During the financial year 2017-18 under review as per **Consolidated Financial Results**, the Company has recorded a decreased in **operating revenue** by **87 lakhs** compared with the operating revenue of previous year. **Profit & Loss before Tax** have been decreased by **Rs. -194.20 Lakhs** and **Profit & Loss after Tax** have decreased by **-194.20 Lakhs** compared with the loss of previous year **2016-17**.

3. DIVIDEND:

The Board of Directors did not recommend any dividend for the year ended **31st March, 2018**.

4. SHARE CAPITAL:

During the financial year 2017-18, there was no change in the Share Capital of the Company. **As on 31st March, 2018**, the paid up share capital of the Company stood at **Rs.10,11,72,510 /-(Rupees Ten Crores Eleven Lakhs Seventy Two Thousands Five Hundred and Ten Only)** divided into **5,05,86,255 (Five Crores Five Lakhs Eighty Six Thousands Two Hundred and Fifty Five Only)** Equity shares of **Rs. 2/- (Rupees Two)** each.

5. RESERVES:

The Board proposes to carry Reserves of **Rs 428.06 Lakhs**.

6. BRIEF DESCRIPTION OF THE COMPANY'S WORKINGS / STATE OF COMPANY'S AFFAIRS:
Segment Information for the year ended 31st March, 2018

Particulars	Storage Systems Division		IT Services Division		Pharma Division	
	Current Year	Pervious Year	Current Year	Perivous year	Current Year	Pervious Year
<u>SEGMENT REVENUE</u>						
Sales	879.30	956.16	108.84	90.01	229.21	182.29
Other Income	19.10	1.30	-	(2.42)	0.31	0.019
Net Sales/Income From Operations	898.40	957.46	108.84	87.59	229.52	182.31
<u>SEGMENT RESULT</u>						
Profit before Tax, Depreciation & Interest	(52.19)	(33.25)	62.61	46.81	61.81	90.55
Less : Depreciation	14.00	14.00	8.06	8.00	48.00	48.00
Profit After Depreciation	(66.19)	(47.25)	54.55	38.81	13.81	42.55
Less : Interest	0.057	2.80	-	-	1.86	4.97
Profit before Extra-Ordinary Item	(66.25)	(50.05)	54.55	38.81	11.95	37.58
Less: Extra-Ordinary Items	0	0	0	0	0	0
Less: Provision for Taxation	0	0	0	0	0	0
NET PROFIT	(66.25)	(50.05)	54.55	38.81	11.95	37.58
<u>OTHER INFORMATION</u>						
Segment Assets	1323.300	1273.200	882.200	768.800	1764.400	1680.300
Segment Liabilities	1543.850	1242.100	529.320	680.200	1896.730	1720.400

7. 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.

8. **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.

9. **CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There was no change in the nature of business of the Company during the Financial Year ended 31st March, 2018.

10. **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.

11. **PUBLIC DEPOSITS:**

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

12. **BOARD OF DIRECTORS AND KMP:**

Retirement by rotation:

In accordance with the provisions of Section 152(6) and the Articles of Association of the Company, **Mr. Mayur Shah (DIN: 00016358)** 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:

Resignation:

During the financial year 2017-18 under review, **Dr. Milan Desai**, were resigned from the Board ie. **w.e.f 12th August, 2017** and **Mrs. Shaila Manoj Shah**, were also resigned from the Board i.e. **w.e.f 14th December, 2017**. The Board places on record its sincere appreciation for the valuable contribution made by them during their tenures as directors of the Company.

Appointment:

Dr. Pratichi Jeet Mavani, were appointed on the Board as an **Additional Non-Executive Independent Woman Director** of the Company i.e. **w.e.f 19th January, 2018** subject to approval of shareholders at the ensuing Annual General Meeting. The Company has received a notice along with requisite deposit from the member of the Company under Section 160 of Companies Act, 2013 proposing her candidature for the office of Director of the Company and your Board recommends her appointment.

Declaration of Independent Directors:

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's policy relating to directors appointment, payment of remuneration and discharge of their duties:

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and also remuneration for Key Managerial Personnel and other employees is attached herewith and marked as '**Annexure III**'.

Appointments / Resignations of the Key Managerial Personnel:

During the financial year **2017-18**, **Ms. Snehal Tondwalkar, was** resigned from the post of Company Secretary i.e. **w.e.f 19th May, 2017** and in her place **Mr. Nagraj Mogaveera, was** appointed as the Company Secretary and Compliance Officer of the Company i.e. **w.e.f 19th May, 2017**.

Annual Performance Evaluation by the Board:

Pursuant to the provisions of the Section 134(3) Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders' Relationship Committees. The Board has devised questionnaire to evaluate the performances of each of Executive and Non-Executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the directors. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance at Board Meetings and Board Committee Meetings;
- ii. Quality of contribution to Board deliberations;
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance;
- iv. Providing perspectives and feedback going beyond information provided by the management.

The details of the programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company.

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.

13. MEETINGS OF THE BOARD:

The Board of Directors met **8 times** during the financial year 2017-18 under review. The details of the Board meetings and attendance of the directors are provided in the Corporate Governance Report annexed as form part of Annual Report 2017-18.

14. COMPOSITION OF AUDIT COMMITTEE:

The Board has re-constituted the Audit Committee which comprises of 3 Non-Executive Independent Directors and 1 Executive Director as under:

Sr. No	Name of the Members	Designation	Chairman / Member
1	Mr. Viral Chitalia	Non-Executive Independent Director	Chairman
2	Mr. Mayur Shah	Executive Director	Member
3	Mr. Samir Kumar Mapara	Non-Executive Independent Director	Member
4	Dr. Pratchi Mavani	Additional Non-Executive Independent Woman Director	Member

More details on the Committee are given in the Corporate Governance Report which forms part of this Annual Report.

15. 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 Whistle blower 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>.

16. 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, 2018 in the prescribed format is given in **Annexure - I** and forms part of this Report.

17. 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, 2018 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; and
- (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.
- (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.

18. PARTICULARS OF MANAGERIAL REMUNERATION AND OTHER DETAILS:

Disclosure with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked as '**Annexure-IV**'.

19. STATUTORY AUDITORS:

As per the provisions of section 139 of the Companies Act, 2013 and rules made thereunder, **M/s. C.D. Khakhkhar & Co. Chartered Accountants [Firm Registration No. 141767]**, Statutory Auditor of the Company was appointed by the Board and aforesaid appointment was approved by the Members of the Company at its Annual General Meeting held on **30th September, 2016 for the period of 5 years** from the conclusion of AGM held on **30th September, 2016** till the conclusion of AGM will be held in the **financial year 2021-22** subject to the ratification by the Members of the Company at every Annual General Meeting on such remuneration as may be agreed upon. And the aforesaid ratification of appointment of statutory auditor at every Annual General Meeting is presently removed as per the recent notification and Companies Amendment Act, 2017.

20. SUBSIDIARY COMPANY:

Company had one subsidiary company i.e. **Proyurveda Life science Private Limited**. During the financial year 2017-18, the Board of Directors reviewed the affairs of the subsidiary company in accordance with the provisions of Section 129(3) of the Companies Act, 2013, we have prepared Consolidated Financial Statements of the Company and its subsidiary, which form part of the Annual Report. Further, a statement containing the salient features of the financial statements of the subsidiary in the prescribed format **AOC-1** is attached herewith and marked as '**Annexure V**'. The statement also provides the details of performance and financial position of subsidiary company.

In accordance with the provision of Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary, are available on our website www.maximaagroup.com These documents will also be available for inspection at the registered office of the Company and of the subsidiary company during business hours on all working days and during the Annual General Meeting.

21. AUDITOR'S REPORT:

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

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT 2013:

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 also 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 in **Form AOC-2 as Annexure VII.**

24. SECRETARIAL AUDITORS:

Pursuant to Section 204 of the Companies Act, 2013 the Board of Directors had appointed **Mr. Kunjal Dalal (K. Dalal & Co) Practicing Company Secretaries (C. P. No. 3863)** as Secretarial Auditor to undertake the Secretarial Audit of the Company for the year 2017-18. The report of the Secretarial Auditor is annexed with this Annual Report.

There is no secretarial audit qualification for the financial year 2017-18 under review.

25. INTERNAL AUDITORS:

The Company has appointed **M/s. NPV & Associates, Chartered Accountants, Mumbai** as its Internal Auditors. The Internal Auditors give their reports on quarterly basis to the Audit Committee. Based on the report of internal audit, management undertakes corrective action in respective areas and thereby strengthens the controls.

26. CORPORATE GOVERNANCE:

Your Company has complied with the Corporate Governance requirements as per the Regulation 27 of SEBI (LODR) Regulations, 2015. A separate report on Corporate Governance along with a Certificate of Compliance from the Auditors annexed as a forms part of this Annual Report.

27. 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.

28. REMARKS ON QUALIFICATION BY STATUTORY AUDITOR AND SECRETARIAL AUDITOR:

Statutory Auditor's Report does not have any qualification / observation/ adverse remark and is self-explanatory.

Secretarial Auditor's Report does not have any qualification / observation/ adverse remark and is self-explanatory.

29. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. There was no complaint on sexual harassment during the year under review.

30. LISTING OF SECURITIES:

The Company's shares are listed on **BSE Limited (BSE)** under the script code **526538** and is also listed on **MSEI** under the Symbol **MAXIMAA**. The Company has paid listing fees to its Stock Exchanges for the financial year 2017-2018.

31. 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 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 the financial year 2017-18.

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 VI and** forms part of this Report.

32. INDUSTRIAL RELATIONS:

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

33. CAUTIONARY STATEMENT:

Statements in the Directors' Report and the Management Discussion and Analysis Report, 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.

34. 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 Systems Limited**

**Mr. Manoj Shah
Chairman and Managing Director
DIN:00017594**

Place : Valsad
Date : 05.09.2018

ANNEXURE I

**FORM NO MGT-9
EXTRACT OF ANNUAL RETURN
For the financial year ended on 31ST March, 2018**

[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 Limited By Shares / Indian Non-Government Company
Address of the Registered Office and contact details	B-1, Yashkamal, Tithal Road, Valsad – 396001, Gujarat, India.
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 / 6761 Fax: 022- 2301 2517

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10 % or more of the total 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	18.83%
2	Storage	63023	72.23%
3	IT	72200	8.94%

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	17349125	0	17349125	34.30	15074125	0	15074125	29.80	-4.50
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):	17349125	0	17349125	34.30	15074125	0	15074125	29.80	-4.50
(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)	17349125	0	17349125	34.30	15074125	0	15074125	29.80	-4.50
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	1919761	144575	2064336	4.08	2543441	132450	2675891	5.29	1.21
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individual									
i) Individual Shareholders holding nominal share capital upto Rs. 2 Lakh	9352806	1019735	10372541	20.50	11364194	1007150	12371344	24.46	3.96
ii) Individual Shareholders holding nominal share capital in excess of Rs. 2 Lakh	14405904	0	14405904	28.48	14202666	0	14202666	28.08	-0.40
c) Other (Specify)									
i) N.R.I. (Repat & Non-Repat.)	4323482	85	4323567	8.55	4382980	85	4383065	8.66	0.11
ii) Foreign Corporate Bodies	0	0	0	0	0	0	0	0	0
iii) Trust	85	0	85	0.00	85	0	85	0.00	0
iv) Hindu Undivided Family	1135704	0	1135704	2.25	910390	0	910390	1.80	-0.45
v) Employee	0	0	0	0	0	0	0	0	0
vi) Clearing Members	934993	0	934993	1.85	961580	0	961580	1.90	0.05
Sub-Total (B)(2): Total Public Share holding (B) = (B)(1) + (B)(2)	32072735	1164395	33237130	65.70	34372445	1139685	35512130	70.20	4.50
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	49421860	1164395	50586255	100	49446570	1139685	50586255	100	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	4810010	9.51	0	2810010	5.55	0	-3.96
Mahesh Shah	4801345	9.49	0	4801345	9.49	0	0
Mayur Shah	4633205	9.16	0	4633205	9.16	0	0
Mahesh Balubhai Shah HUF	1217750	2.41	0	942750	1.86	0	-0.55
Mayur B Shah HUF	1084500	2.14	0	1084500	2.14	0	0
Manoj B Shah HUF	787500	1.56	0	787500	1.56	0	0
Manan Mahesh Shah	14815	0.03	0	14815	0.03	0	0
Total	17349125	34.30	0	15074125	29.80	0	-4.50

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Mr. Manoj Shah	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
For Each Top 10 Share Holders				
At the beginning of the year	4810010	9.51	4810010	9.51
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/swe at equity etc): 11,44,755 shares sold on 07/04/17 26,353 shares sold on 10/04/2017 7,07,393 shares sold on 11/04/2017 1,21,499 shares sold on 12/04/2017	2000000	3.96	2000000	3.96
At the end of the year	2810010	5.55	2810010	5.55

Mr. Mahesh Balubhai Shah HUF	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
For Each Top 10 Share Holders				
At the beginning of the year	1217750	2.41	1217750	2.41
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/swe at equity etc):	275000	0.55	275000	0.55
At the end of the year	942750	1.86	942750	1.86

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	8.41	4253000	8.41
2. DAMAVARAPU KAMALAMMA	2500000	4.94	2500000	4.94
3. RAJ KUMAR	2245279	4.44	1304017	2.58
4. DIVYESH PRAVINCHANDRA SHAH	1500000	2.97	1500000	2.97
5. NISHMA GORWARA	1177000	2.33	1177000	2.33
6. DAMAVARAPU RADHAKRISHNA REDDY	999800	1.98	999800	1.98
7. RAJMANI GORWARA	912387	1.80	912387	1.80
8. MILAN GULABBHAI DESAI	750000	1.48	750000	1.48
9. JAPAN VYAS	-	-	586200	1.16
10. MACRO SECURITIES (INDIA) PVT LTD	551405	1.09	551405	1.09

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 – Managing Director				
At the beginning of the year	4810010	9.51	4810010	9.51
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): 11,44,755 shares sold on 07/04/17 26,353 shares sold on 10/04/2017 7,07,393 shares sold on 11/04/2017 1,21,499 shares sold on 12/04/2017	2000000	3.96	2000000	3.96
At the end of the year	2810010	5.55	2810010	5.55
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. Mr. Mayur Shah – Jt. MD				
At the beginning of the year	4633205	9.16	4633205	9.16
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	9.16	4633205	9.16

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. Mr. Mahesh Shah – Jt. MD				
At the beginning of the year	4801345	9.49	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	4801345	9.49

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
4. Mr. Viral Vinod Chitalia – Independent Director				
At the beginning of the year	0	0	0	0
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	0	0	0	0

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
5. Mr. SamirkumarMapara – Independent Director				
At the beginning of the year	0	0	0	0
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	0	0	0	0

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
6. Dr. PratchiMavani – Woman Director				
At the beginning of the year	0	0	0	0
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	0	0	0	0

5. INDEBETEDNESS :
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	6,70,77,912	1,95,96,665	15,20,000	8,81,94,577
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	6,70,77,912	1,95,96,665	15,20,000	8,81,94,577
Change in Indebtedness during the financial year				
Addition	1,01,32,238	-	-	1,01,32,238
Reduction	-	1,55,96,665	2,20,000	1,58,16,665
Net Change	1,01,32,238	1,55,96,665	2,20,000	(56,84,427)
Indebtedness at the end of the financial year				
i. Principal Amount	7,72,10,150	40,00,000	13,00,000	8,25,10,150
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ ii+ iii)	7,72,10,150	40,00,000	13,00,000	8,25,10,150

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Mr. Manoj Shah	Mr. Mayur Shah	Mr. Mahesh Shah	Total Amount
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	8,40,000	8,40,000	8,40,000	25,20,000
	(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)	8,40,000	8,40,000	8,40,000	25,20,000

B. Remuneration to other Directors :

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

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

Sr. No	Particulars of Remuneration	Name of KMP		
		Mr. Praveen Sethia (CFO)	Mr. Nagraj Mogaveera (CS)	Total
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	6,24,000	3,60,000	9,84,000
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil
2	Stock Options	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	- Others, specify....	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	6,24,000	3,60,000	9,84,000

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					

Annexure II**Form No. MR-3****SECRETARIAL AUDIT REPORT****For the Financial Year ended on 31stMarch, 2018**

[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, Gujarat, India.

We 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 Annual compliances / periodical 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. We hereby report that in our opinion, the company has, during the Secretarial Audit period covering the financial year ended on **31stMarch, 2018** and 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on **31stMarch, 2018** 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - e) 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);**

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**;
 - g) 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;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**; and
 - i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**;
- vi. Other laws specifically applicable to the company namely:-
- a) The Drugs and Cosmetics act, 1940
 - b) Food and Safety Standard Act, 2006

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

As regards other sectoral laws referred to in item vi above, We have been informed that no periodic compliances by way of filing of forms / returns is required, however the required registration has been obtained and renewed within the stipulated period.

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

- i. Secretarial Standards (**SS-1 & SS-2**) issued by *The Institute of Company Secretaries of India* with respect to Board and General Meetings.
- ii. Listing Agreements entered into by the Company with Stock Exchanges, where the shares of the Company are listed.

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts along with sector specific laws have not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

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.

We 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.

We further report that during the period under review, the company has issued **1,64,35,000** Equity Shares, face value of **Rs. 2/- each** at **Rs. 8.25/-** including the premium of **Rs. 6.25/-** to Promoter and Non-Promoter Investors and **1,10,40,000** Convertible Equity Warrants face value of **Rs. 2/- each** at **Rs. 8.25/-** including the premium of **Rs. 6.25/-** to Non-Promoter Investors on Preferential Basis.

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

- i. Public / Right / Debentures / Sweat Equity, etc. except **Preferential Issue of Equity Shares and Warrants**.
- ii. Redemption / Buy-Back of Securities.
- iii. Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / Amalgamation / Reconstruction etc.
- v. Foreign Technical Collaborations.

**For K. Dalal & Co.
Practicing Company Secretaries**

sd/-
Mr. Kunjal Dalal
Proprietor
FCS No. 3530, COP No. 3863

Place: Surat

Date: 05.09.2018

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

Annexure 'A'

To,
The Members,
Maximaa System Limited
B-1, Yashkamal, Tithal Road, Valsad-396001, Gujarat, India.

Our **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. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the company.
4. Where ever required, we 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.
Practicing Company Secretaries

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

Place : Surat
Date : 05.09.2018

Annexure III**POLICY ON CRITERIA FOR APPOINTMENT OF DIRECTORS, EVALUATION OF PERFORMANCE AND REMUNERATION****OBJECTIVE OF THE POLICY:**

The Policy on Appointment of Directors, Evaluation of Performance and Remuneration, is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

This Policy applies to the Company's senior management, including its Key Managerial Persons and Board of Directors of **Maximaa Systems Limited**.

CRITERIA FOR APPOINTMENT OF DIRECTORS:

The criteria for appointment of a person as a Director on the Board of Directors of the Company are given below:

Appointment of Directors:

The Company shall appoint only those persons who possess formal qualification, relevant experience, proven track record, integrity etc.

Qualifications:

Any person to be appointed as a Director on the Board of Director of the Company, including Independent Directors, shall possess appropriate skills, experience and knowledge in one or more fields of sciences, actuarial sciences, banking, finance, economics, law, management, sales, marketing, administration, research, corporate governance or technical operations.

Any person to be appointed as an Independent director shall also fulfill the criteria of Independence as laid down under Section 149(6) of Companies Act, 2013.

Further, any Director who is proposed to be appointed as a member of the Audit Committee shall also possess the following additional qualifications:

1. He/She should be financially literate, which means he/she possess the ability to read and understand basic financial statements i.e. Balance Sheet, Profit and Loss Account and Cash Flow Statement;
2. He/She should have accounting or related financial management expertise. A person will be considered to have accounting or related financial management expertise, if he or she possesses experience in finance or accounting or requisite professional certification in accounting, or any other comparable experience or background which results in the financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

Experience:

Any person to be appointed as a Director on the Board of the Company shall possess the relevant experience and shall be able to provide policy directions to the Company, including directions on good corporate governance. Prior experience of being a Chief Executive Officer, Managing Director or a Whole-time director of any company shall be given utmost importance while considering appointment.

Positive attributes:

The person to be appointed as a Director of the Company shall not only possess the relevant formal qualifications and experience but shall also possess attributes like integrity and proven track record and shall demonstrate commitment to the organization.

For assessing the integrity and suitability features like past criminal records, financial position, refusal of admission to or expulsion from professional bodies and previous questionable business practices etc. shall be considered.

A person shall not be appointed as Director if he/she possesses the disqualifications as contained under Section 164 (1) of the Companies Act, 2013.

The Committee is requested to consider and recommend the same to the Board for approval.

CRITERIA FOR FIXING THE REMUNERATION:

The Nomination and Remuneration Committee determines and recommends to the Board a policy relating to remuneration for directors, key managerial personnel and other employees.

GUIDING PRINCIPLES:

The Nomination and Remuneration Committee while deciding the remuneration package for directors, key managerial personnel and other employees shall take not only take into consideration the legal provision of Section 197 of the Companies Act, 2013 but also the following items;

1. Compensation will be a major driver of performance;
2. Compensation will be competitive and benchmarked with a select group of companies from the Industry;
3. Compensation will be transparent, fair and simple to administer;
4. Compensation will be based on employment scenario in the Industry;
5. Compensation will be tax friendly and legally compliant.

CRITERIA FOR MAKING PAYMENTS TO SENIOR MANAGEMENT:

The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.

CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

The remuneration to non-executive directors is linked with the relevant market performance, balance between financial and sectoral market, comparative scales, alignment to corporate goals, roles assumed and number of board meetings attended, contribution at the Board and committee meetings and time spent on the operational matters other than at the meetings.

The Non-Executive Directors (NEDs) will be paid remuneration by way of Commission and Sitting Fees:

1. The Company may pay sitting fees per meeting to the Non-Executive Directors (NEDs) for attending the meetings of the Board, Committee of the Board, Nomination and Remuneration Committee, Audit Committee, Stakeholders Committee etc. constituted by the Board from time to time and;

2. The Commission will be paid out of the net profits of the company at a rate not exceeding the rate as mentioned under Section 197 of the Companies Act, 2013 and relevant rules as may be applicable from time to time.
3. The Company will also reimburse the out-of-pocket expenses incurred by the Directors for attending the meetings.
4. The distribution of commission amongst the Non-Executive Directors (NEDs) will be placed before the Board.
5. Severance compensation will be guided by the terms of appointment letter.

CRITERIA FOR PERFORMANCE APPRAISAL/ EVALUATION PROCESS OF INDEPENDENT DIRECTOR:

The Nomination Committee shall lay down the evaluation criteria for performance evaluation of independent directors.

Guiding principles:

The performance of the Independent directors as well as the performance of the entire Board along with its Committees shall be evaluated annually.

Performance evaluation of Independent directors shall be done by the entire Board of Directors (excluding the director being evaluated).

The Independent directors shall at the separate meeting without the attendance of non-independent directors and members of management shall:

1. review the performance of non-independent directors and the Board as a whole;
2. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
3. assess the quality, quantity and timeliness of flow of information between the company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

An Indicative list of factors that may be considered while evaluating the Performance of directors are as follows:

1. How well prepared and well informed the directors are for the board meetings?
2. Whether the attendance of directors at meetings are satisfactory?
3. Do the directors show willingness to spend time and effort learning about the company and its business?
4. Are the directors willing to participate in events outside board meetings such as site visits etc.?
5. What has been the quality and value of director's contributions at board meetings?
6. What has been their contribution to the development of (i) Strategy and (ii) Risk management
7. How successfully the directors have brought their knowledge and experience to the benefit of the Company?
8. Where necessary, how firm are they in holding to their views and resisting pressure from others?
9. How effectively have they followed up matters about which they have expressed concern?
10. How good are their relationship with other board members, the company secretary and senior management?
11. How actively and successfully do they refresh their knowledge and skill?
12. How up-to-date they are with the latest developments in the areas such as the corporate governance framework, financial reporting and market conditions?
13. How well do they communicate with other board members, senior management and others? (e.g. shareholders)
14. Can they present their views convincingly, yet diplomatically?
15. Do they listen to the views of others?

DISCLOSURE OF INFORMATION:

The Company shall disclose the Remuneration Policy in its Annual Report.

Annexure IV
A. Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended :

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18, the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2017-18:		
Sr. No	Name of the Director / KMP	Ratio of remuneration to the median remuneration of the employees	% Increase / Decrease over the last F.Y. 2016-17
1	Mr. Manoj Shah (Managing Director)	7.63 : 1	NIL
2	Mr. Mayur Shah (Joint Managing Director)	7.63 : 1	NIL
3	Mr. Mahesh Shah (Joint Managing Director)	7.63 : 1	NIL
4	Mr. Praveen Sethia (Chief Financial Officer)	5.67: 1	9.47%
5	Mr. Nagraj Mogaveera (Company Secretary & Compliance Officer) (appointed w.e.f 29.05.2017)	3.27 : 1	NA
Note: Non-Executive Directors of the Company are not paid any sitting fees or commission.			
(ii)	The percentage increase in the median remuneration of employees in the financial year 2017-18		27%
(iii)	The number of permanent employees on the rolls of the company		76
(iv)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.		Average percentile increase in Employee's other than Managerial Remuneration is 13.50 % while managerial Remuneration is increased by NIL

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.

B. Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Details of top ten employee drawing remuneration pursuant to the provisions of Rule, 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows :

Employee Name	Designation	Educational Qualification	Age (Years)	Experience (In Years)	Date of Employment	Gross Remuneration paid
Mr. Manoj Shah	Managing Director	M.Sc	59	28	03.08.1990	8,40,000
Mr. Mayur Shah	Jt. Managing Director	M. Com	64	28	03.08.1990	8,40,000
Mr. Mahesh Shah	Jt. Managing Director	Chemical Engineering	57	28	03.08.1990	8,40,000
Mrs. Varsha Mistry	Chief Operating Officer	BSC	39	18	01.09.2000	12,00,000
Mr. Mohan Palankar	General Manager, Marketing	M. Sc, Diploma MM	63	5	11.04.2013	8,04,000
Dr. Kunal Shah	Executive President	M.d (AM)	31	7	07.03.2011	6,74,010
Mr. Manan Shah	Executive President	CA	30	7	07.03.2011	6,74,010
Mr. Praveen Sethia	Chief Financial Officer	B.com, CA	28	4	06.05.2014	6,24,000
Mr. Anand Rao	Production Manager	B.com	50	8	01.11.2010	5,52,000
Mrs. Bhakti Parekh	Admin Manager	B.com	37	4	26.04.2007	4,10,400

Notes:

1. All appointments are permanent except of Managing Director and Whole Time Director whose appointments are contractual and terminable by notice on either side.
2. Remuneration includes salary and various allowances,
3. None of the employees of the Company was drawing remuneration of Rs. 8,50,000/- p.m. or Rs. 1,02,00,000/- p.a. or more during the year.

**For and on behalf of the Board
Maximaa Systems Limited**

**Mr. Manoj Shah
Chairman and Managing Director
DIN: 00017594**

**Place : Valsad
Date : 05.09.2018**

Annexure-V**Form AOC-I**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures.

Part "A" Subsidiary / ies

Particulars	Proyurveda Lifescience Private Limited
Reporting Period	31/03/2018
Share Capital	1,16,01,000
Reserves & Surplus	(2,21,08,660)
Total Assets	4,96,25,237
Total Liabilities	4,96,25,237
Investments(except in subsidiary companies)	NIL
Turnover	4,83,723
Profit/(Loss) before Taxation	(26,21,795)
Provision for Taxation	NIL
Profit/(Loss) after Taxation	(26,21,795)
Proposed Dividend	NIL
% of Shareholding	77.58%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: N.A.
2. Names of subsidiaries which have been liquidated or sold during the year: N.A

Part "B": Associates and Joint Ventures

Not Applicable as the Company does not have any Associate and Joint Venture.

Annexure VI
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 2018	Previous Year 2017
REVENUE FROM FOREIGN EXCHANGE:		
Sales	1,08,83,693	90,01,437
Other Income	(1,17,181)	(2,41,980)
Net Sales/Income From Operations(In Rupees)	1,07,66,512	87,59,457
(In Dollars)	1,65,449	1,34,606

Annexure VII
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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.

1. Details of contracts or arrangements or transactions not at arm's length basis: NA

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.

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Particulars	Related Party Transactions
(a)	Name(s) of the related party	Proyurveda Lifescience Private Limited Essenzaa Lifescience Limited
(b)	Nature of Relationship	Subsidiary Company Control exist
(c)	Nature of contracts/ arrangements/ transactions	Advances
(d)	Duration of the contracts /arrangements / transactions.	4 years
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
(f)	Date(s) of approval by the Board	30.05.2018
(g)	Amount paid as advances, if any:	1,88,82,647/-

Note: Form shall be signed by the persons who have signed the Board's report.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

MAXIMAA SYSTEMS LTD

Place: Valsad
Date: 30.05.2018

Sd/-
MANOJ SHAH
Managing Director
DIN : 00017594

Sd/-
MAYUR SHAH
Jt. Managing Director
DIN: 00016358

Sd/-
MAHESH SHAH
Jt. Managing Director
DIN: 00017559

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)**INDUSTRY STRUCTURE DEVELOPMENTS AND OUTLOOK:**

The Members are aware about the Company entered into Pharmaceutical Sector and with its excellent Manufacturing Unit have tremendously increased the production and distribution and selling of **PROYURVEDA** range of products. PLPL was incorporated to promote and sell the Company's 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 three years will sell the products all across the country.

Demand (both domestic as well as international) for Pharma, Storage Systems and IT still remains satisfactory. The Company is optimistic and very confident about the future prospects. And further the company has a clear objective to enhance the sales volumes in the domestic as well as international market.

STRENGTHS & OUTLOOK ON OPPORTUNITIES:

Since the 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 all around the world. (National & Global Market).

FINANCIAL PERFORMANCE AND BUSINESS REVIEW:**A. Financial Performance:**

The Audited Financial Results are given for the financial year ended on **31st March, 2018**. The report contains review of the operations of the Company. The Company earned Revenue of **Rs.1217.35 Lakhs** as against Revenue of **Rs.1228.47 Lakhs** in the previous year and the Net Profit after Tax recorded by the Company is **Rs.0.25 Lakhs** as against the Net Profit after Tax of **Rs26.34Lakhs** in the previous year.

B. Overall Performance:

The overall performance during the year 2017-18 was not satisfactory due to sluggish demand and increase in cost. The details of entire financial performance is given in Director's Report.

C. Business Review:

As compared to the earlier years, our company is setting for the positive growth. Despite competition at global level, there are positive signs for efficient and innovative companies and your companies is set to and your company is set to follow the best practices to perform well.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

Segment wise performance together with discussion on financial performance with reference to operational performance has been dealt with in the Directors Report which should be treated as forming part of this Management Discussion and Analysis. This is also 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:

Company has in place a well-defined organizational structure and adequate internal controls for efficient operations. Mr. Praveen Sethia, Chief Financial Officer of the Company 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.

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

HUMAN RESOURCE DEVELOPMENT:

Your Company gives utmost importance to Human Resource. It considers Human Resource as Human Capital and believes in development of Human Resource. Over the years, your Company has developed an environment, which fosters excellence in performance by empowering its people, who are always on continuous improvement path with an ultimate aim to add value to their intellectual and knowledge resources. The key focus is to attract, retain and develop talent as a resource through rewards mechanism, performance evaluation and harmonious & constructive working climate.

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 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 of the Company. 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.

RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

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

Sd / -
Mr. Manoj Shah
Managing Director
DIN: 00017594

CORPORATE GOVERNANCE REPORT

(Pursuant to Regulation 34 (3) read with Schedule V of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

i. ABRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance is aimed at strengthening the confidence of the shareholders in the Company and building a long term relationship of trust with them by maintaining highest level of accountability, transparency, timely disclosures, dissemination of price sensitive information and ensuring compliance with all applicable laws and regulations. The Company believes in maintaining high standards of quality and ethical conduct in its operations.

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 31st March, 2018 your Board of Directors consists of 6 Directors, out of which 3 Executive Directors and 3 are Non-Executive Independent Directors including 1 Woman Independent Director, constituting 50% of total size of Board.

During the year 2017-18, **Dr. Milan Gulabbhai Desai**, Independent Director of the company were resigned from the Board w.e.f. 12th August, 2017.

During the year 2017-18, **Mrs. Shaila Manoj Shah**, Independent Woman Director, were resigned from the Board w.e.f. 14th December, 2017.

During the year 2017-18, **Dr. Pratchi Jeet Mavani**, were appointed on the Board **w.e.f. 19th January, 2018** as an Additional Non-Executive Independent Woman Director for a period of 5 years from the date of 19th January, 2018 to 18th January, 2023 subject to approval of shareholders at the ensuing Annual General Meeting.

a. COMPOSITION OF BOARD OF DIRECTORS AND PARTICULARS THERE OF:

Sr. No.	Name of Director	Category	No. of Directorship in each Companies		No. of Membership / Chairmanship of other Board Committees	
			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	-	3	-
5	Mr. Viral Chitalia	Independent Director; Non Executive	1	-	3	3
6	Dr. Pratchi Mavani	Additional Independent Woman Director; Non Executive	1	-	3	-

Notes

- I. Directorship held by Directors in other companies does not include alternate directorships, directorships in foreign companies, Section 8 and Private Limited Companies;
- II. 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;
- III. 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.
- IV. **Separate Meeting of Independent Directors:** As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 23rd March, 2018 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole and the flow of information between the Board and the Management of the Company.

V. Directors Familiarization Programme:

The Company undertakes and makes necessary provision of an appropriate induction programme for new coming Directors and ongoing training for existing Directors. The new directors are introduced to the company culture, through appropriate training programmes. Such kind of training programmes help to develop relationship of the directors with the company and familiarize them with company processes. The management provides such information and training either at the meeting of Board of Directors or at other occasions.

The induction process is designed to:

- Build an understanding of the Company processes and
- Fully Equip Directors to perform their role on the Board effectively.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

b. ATTENDANCE AT BOARD MEETING AND ANNUAL GENERAL MEETING:

During the financial year 2017 - 18, **8 (Eight)** Board Meetings were held on 29th May, 2017; 31st August, 2017, 14th October, 2017, 23rd October, 2017, 14th December, 2017, 19th January, 2018, 14th February, 2018 and 05th March, 2018;

The Annual General Meeting of the Company for the financial year 2017-18 was held on 28th September, 2017.

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	8	Yes
Mr. Mayur Shah	8	Yes
Mr. Mahesh Shah	5	Yes
Mr. Samirkumar Mapara	5	Yes
Mr. Viral Chitalia	8	Yes
Dr. Milan Desai	1	NA
Mrs. Shaila Shah	5	Yes
Dr. Pratichi Mavani	2	NA

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 / Shareholders Grievance Committee and Nomination and Remuneration Committee and Minutes of Subsidiary Company;
- 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.

The Agenda is prepared in consultation with the Chairman of the Board of Directors and the Chairman of the other Committees and the same together with the appropriate supporting documents are circulated well in advance of the meeting.

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. Mayur Shah (holding DIN 00016358), 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, 2018 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 Nomination & 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, 2018 is as under:-

- a. Mr. Viral Chitalia, Non-Executive Independent Director as Chairman;
- b. Mr. Samirkumar Mapara, Non-Executive Independent Director as Member;
- c. Mr. Mayur Shah, Executive Director as Member;
- d. Dr. Pratichi Mavani, Additional Non-Executive Independent Woman 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 financial year 2017-18, Audit Committee met **6 (Six) times** viz. 29th May, 2017; 31st August, 2017; 23rd October, 2017; 14th December, 2017; 14th February, 2018; 05th March, 2018; as stipulated the gap between two Audit Committee Meetings did not exceed 120 days.

Name of the Members	Designation	No. of Meetings attended
Mr. Viral Chitalia	Chairman	6
Dr. Milan Desai (resigned w.e.f 12.08.2017)	Member	1
Mr. Mayur Shah	Member	6
Mr. Samirkumar Mapara	Member	6
Dr. Pratichi Mavani (appointed w.e.f 19.01.2018)	Member	2

c. THE SCOPE OF THE ACTIVITIES AND THE TERMS OF REFERENCE OF THE AUDIT COMMITTEE ARE AS UNDER:-

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:
 - i. 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;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for their 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:

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.

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

The Stakeholder's Relationship Committee is empowered to oversee the redressal of investors' complaints pertaining to Share transfers, Non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfer / transmission / demat / remat of shares and other miscellaneous complaints. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

a. SIZE AND COMPOSITION:-

The Composition of the Stakeholders Relationship Committee / Shareholders / Investors Grievance Committee as on March 31st, 2018 is as under:-

1. Mr. Viral Chitalia, Non-Executive Independent Director as the Chairman;
2. Mr. Samir Kumar Mapara, Non-Executive Independent Director as Member.
3. Mr. Manoj Shah, Executive Director as Member;
4. Dr. Pratichi Mavani, Additional Non-Executive Independent Woman Director as Member.

b. MEETING OF THE STAKEHOLDER'S RELATIONSHIP COMMITTEE / SHAREHOLDER'S / INVESTOR'S GRIEVANCE COMMITTEE:

During the financial year 2017-18, the Stakeholder's Relationship Committee / Shareholders / Investors Grievance Committee met **4 (Four) times** viz. **25th May, 2017; 30th August, 2017; 20th October, 2017; 10th February, 2018;**

Attendance of the members at the Stakeholder's Relationship Committee Meetings held during the financial year 2017-18 are as follows

Name of Members	Designation	No. of Meetings attended
Mr. Viral Chitalia	Chairman	4
Mr. Manoj Shah	Member	4
Mr. Samir Kumar Mapara	Member	4
Dr. Pratichi Mavani	Member	1

The committee specifically looks into the redressal of shareholders and investor's 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, 2018.

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 19 and Schedule II of Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year 2017-18, Nomination and Remuneration Committee met **4 (four) times** viz. **27th May, 2017; 30th August, 2017; 13th December, 2017; 19th January, 2018;**

b. MEETING AND ATTENDANCE DURING THE YEAR:

Name of Members	Designation	No. of Meetings attended
Mr. Viral Chitalia	Chairman	3
Dr. Milan Desai (resigned wef 12.08.2017)	Member	1
Mrs. Shaila Shah (resigned wef 14.12.2017)	Member	3
Mr. Samir Kumar Mapara	Member	4
Dr. Pratichi Mavani	Member	1

c. REMUNERATION OF DIRECTORS:

The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the year 2017-18.

The Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by them of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managing Director) Rules, 2014.

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

Details of remuneration / sitting fees paid and number of Equity shares held by the Directors during the year ended 31st March, 2018 are as follows.

Name of Directors	Salary	Perquisites/ Allowances	Contribution to PF & Others	Sitting Fees	Total	No of Shares held
Mr. Manoj Shah	8,40,000	-	-	-	8,40,000	28,10,010
Mr. Mayur Shah	8,40,000	-	-	-	8,40,000	46,33,205
Mr. Mahesh Shah	8,40,000	-	-	-	8,40,000	48,01,345
Mr. Viral Chitalia	-	-	-	-	-	-
Mr. Samir Kumar Mapara	-	-	-	-	-	-
Dr. Milan Desai						
(resigned w.e.f 12.08.2017)	-	-	-	-	-	-
Mrs. Shaila Shah						
(resigned w.e.f 14.12.2017)	-	-	-	-	-	-
Dr. Pratichi Mavani	-	-	-	-	-	-

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.

d. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The terms of reference of this Committee are wide enough covering the matters specified for remuneration to the Directors under Regulation 19 and Schedule II of Part D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee is empowered to–

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- Identify and assess potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.
- Formulate a policy relating to remuneration for the Directors, Key Managerial Personnel and also the Senior Management Employees.

e. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Pursuant to the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performances of each Independent Director. The questionnaires are prepared considering the business of the Company. The evaluation framework for assessing the performance of Independent Directors are comprises of the following key areas:

1. Attendance at Board and Committee Meetings;
2. Quality of contribution to Board deliberations;
3. Strategic perspectives or inputs regarding future growth of the Company and its performances;
4. Providing perspectives and feedback going beyond information provided by the management.

f. REMUNERATION POLICY:

The details of the Remuneration policy forms part of this Annual Report.

iv. SUBSIDIARY COMPANY:

As on 31st March, 2018 the company has 1 (One) Subsidiary Company i.e. **Proyurveda Lifescience Private Limited.**

i. GENERAL BODY MEETINGS:

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

Year	Day, Date and Time	Venue
2016-17	Thursday, 28 th day of September, 2017 at 9.30 A.M.	At Registered Office of the Company at B-1, Yash Kamal, Tithal Road, Valsad, Gujarat- 396001.
2015-16	Friday, 30 th day of September, 2016 at 9.30 A.M.	At Registered Office of the Company at B-1, Yash Kamal, Tithal Road, Valsad, Gujarat- 396001.
2014-15	Wednesday, 30 th day of September, 2015 at 8.30 A.M.	At Registered Office of the Company at Suraj Estate, Kailash Road, Valsad- 396 001, Gujarat

ii) Special Resolutions passed:

- a. At the 27th Annual General Meeting held on 28th day of September, 2017, no special resolutions were passed;
- b. At the 26th Annual General Meeting held on 30th day of September, 2016, seven special resolutions were passed;
- c. At the 25th Annual General Meeting held on 30th day of September, 2015, five special resolutions were passed;

iii) The Company did not pass any resolution by way of Shareholders approval through postal ballot during the year ended March 31, 2018. No special resolution has been proposed to be passed by way of Postal Ballot.

iv) The Company has passed two special resolutions by way of Shareholders approval through EGM held on 27th November, 2017.

v) The Company has passed two special resolutions by way of Shareholders approval through EGM held on 28th March, 2018.

ii. DISCLOSURES:
a. 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.

b. 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.

c. 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.

d. Certification from CEO and CFO:

The requisite certificate from the Chief Executive Officer 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, 2018** and **Mr. Manoj Shah**, CEO and **Mr. Praveen Sethia**, CFO of the Company, have certified to the Board that:

- a) They have reviewed the Financial Statement and the Cash Flow Statement for the year 2017-18 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 violation 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.

e. Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable and Ind-AS.

f. Disclosure of Risk Management:

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board.

g. Compliance by the Company:

The Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no penalties or strictures imposed either by SEBI or Stock Exchange or any other statutory authorities for non-compliance of any matter relating to capital market during the last three years.

h. Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2018 have been prepared as per Ind-AS and policies and that sufficient care has been taken for maintaining adequate accounting records.

i. Code for Prevention of Insider Trading Practices:

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, the Company has laid down a comprehensive Code of Conduct for prevention of Insider Trading for its Directors, Senior Management, Officers & other employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company.

j. Disclosure with respect to demat suspense account/unclaimed suspense account:

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/bonus/right issues as at 31st March, 2018. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

k. Code of Conduct and Auditors' Certificate on compliance of Corporate Governance:

The Board of Directors has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. All the Board members have affirmed their compliance with the Code of Conduct. A copy of the said Code of Conduct is available on the website of the Company at www.maximaagroup.com. A declaration by the Managing Director of the Company affirming the compliance of the same during the financial year ended on 31st March, 2018 by the members of the Board and the Senior Management Personnel as applicable to them, forms part of this Annual Report, which along with the Auditors' Certificate on compliance of Listing Regulations by the Company are annexed to this Annual Report.

iii. 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 with in 30 minutes 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, Notice of AGM, Audited Standalone and Consolidated Annual Accounts, Directors' Report, Auditor's Report, MDAR, CGR and other important information is circulated to members and others entitled thereto.

iv. 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.

v. GENERAL SHAREHOLDERS INFORMATION:
1. Annual General Meeting

Date: Saturday, 29th September, 2018

Time: 10.30 A.M.

Venue: B-1, Yash Kamal, Tithal Road, Valsad-396 001, Gujarat, India.

2. Financial Calendar:

Financial year: 1st April, 2017 to 31st March, 2018

3. Tentative calendar of Board Meetings and Annual General Meeting for the Financial Year 2018-19:

First Quarter	-	On or before 14 th August, 2018
Second Quarter	-	On or before 14 th November, 2018
Third Quarter	-	On or before 14 th February, 2019
Fourth Quarter	-	On or before 30 th May, 2019
AGM for the year ended 31 st March, 2019 – On or before 30 th September, 2019		

4. Book Closure:

The book closure period is from **23rd September, 2018** to **29th September, 2018**, inclusive of both days.

5. Cut-off date for Voting and remote e-VOTING of 28th AGM:

The remote e-voting / voting rights of the shareholders / beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. **Saturday, 22nd September, 2018**.

6. Dividend:

The Company has not declared any dividend during the year 2017-18.

7. Listing on Stock Exchanges:

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

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

- b) The Company's equity shares are also listed and traded on the following Stock Exchange from the year 2016.

Name of Stock Exchange	Symbol
Metropolitan Stock Exchange of India (MSEI)	MAXIMAA

- c) Annual listing fees to Bombay Stock Exchange for the year 2018-2019 has been paid by the Company.

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 2017-2018 to both the depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

8. 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, 2018.

Monthly share price data and volumes, BSE

Month	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
April, 2017	10.68	8.6	33,83,078
May, 2017	10.35	8.05	16,10,869
June, 2017	9.8	7.4	5,97,755
July, 2017	9	6.85	5,36,926
August, 2017	7.99	6.24	6,30,713
September, 2017	8.95	7	9,98,232
October, 2017	8.35	6.2	16,62,610
November, 2017	8.26	6.1	12,01,956
December, 2017	10	7.5	30,66,072
January, 2018	10.2	8.01	19,05,773
February, 2018	9	5.87	9,10,339
March, 2018	9.75	6.57	14,11,046

Source: BSE Website.

9. 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 Ind Estt, JR Boricha Marg, Opp. Kasturba Hospital Lane,
Lower Parel (E), Mumbai – 400011, Maharashtra. Tel : 022 – 23016761 / 23010773 / 23018261.

E-mail id - busicomp@vsnl.com,

purvashr@gmail.com,

purvashr@mtnl.net.in

Contact Person: Mr. Deepak / Mr. Vinayak / Ms. Dipali Dhuri.

10. 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.

11. Shareholding Pattern:

Table given below shows the shareholding pattern of Maximaa Systems Limited as on 31.03.2018

a. Distribution of Shareholding by size, as on March 31, 2018:

Category		Number of shareholders	% of Total	Amount of Shares held (In Rs.)	% of Total
From	To				
1	5000	6280	86.85	6909938	6.83
5001	10000	435	6.02	3324012	3.29
10001	20000	223	3.08	3447862	3.41
20001	30000	80	1.11	2002906	1.98
30001	40000	48	0.66	1749442	1.73
40001	50000	27	0.37	1246980	1.23
50001	100000	55	0.76	3878542	3.83
100001	Above	83	1.15	78612828	77.70
		7,231	100	10,11,72,510	100

b. Categories of Shareholding as on March 31, 2018:

S/No.	Category	Shares held (No.)	% of holding
1	Promoters and Promoters Group	1,50,74,125	29.80
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	Body Corporates	26,75,891	5.29
6	Resident Individuals	2,65,74,010	52.53
7	Trusts	85	0.00
8	Hindu Undivided Family	9,10,390	1.80
9	NRI (NON - REPAT)	42,83,193	8.47
10	NRI (REPAT)	99,872	0.20
11	Clearing Members	9,61,580	1.90
12	LLP	7,109	0.01
	TOTAL	5,05,86,255	100

c. Dematerialization of shares as on March 31, 2018:

Form	No. of Shares	% of Total	
Held in Dematerialized form in CDSL		17154713	33.91
Held in Dematerialized form in NSDL		32440533	64.13
Physical form		991009	1.96
Total		50586255	100

The Company's shares are regularly traded on Bombay Stock Exchange Limited, in electronic form.

d. Outstanding GDRs / ADRs / Warrants or any Convertible Instrument, Conversion Dates and likely impact on Equity:

During the year 2017-18 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 Segment

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 Segment

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

Ph: 02632-236111,

Fax: 02636-222302.

f. Address for Correspondence:

Investors and Shareholders can correspond with the company at the following address:-

a. The Company Secretary

115, B Wing, Western Edge - 2, Western Express Highway,
Borivali (East), Mumbai – 400066, Maharashtra.

PH: 022-6243 8100 / 8124

b. The Registrar and Share Transfer Agent of the Company:-

Purva Sharegistry (India) Private Limited

Mr. Rajesh Shah/V.B. Shah,
Unit No.9, Shiv Shakti Ind Estate, JR Boricha Marg,
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.net.in

**FOR AND ON BEHALF OF THE BOARD
MAXIMAA SYSTEM LIMITED**

Place: Valsad

Date: 05.09.2018

**Sd/-
Mr. Manoj Shah
Managing Director
DIN: 00017594**

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMENTS UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
**The Members,
Maximaa Systems Limited**

We have examined the records concerning compliance of the conditions of Corporate Governance by Maximaa Systems Limited for the year ended 31st March, 2018 as stipulated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Uniform Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respect, complied with the conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchange.

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 and on behalf of,
C. D. Khakhkhar & Co.
Chartered Accountants
Firm's Registration No: 141767W**

**Mr. Chetan D. Khakhkhar
Proprietor
Membership number: 122647**

**Place : Valsad
Date : 05.09.2018**

DECLARATION

To,
The Members,
MAXIMAA SYSTEMS LIMITED

I, **Manoj Shah**, Chairman and Managing Director of **Maximaa Systems Limited**, hereby declare that, as on **31st March, 2018**, all the Board Members and Senior Management have affirmed compliance with Code of Conduct laid down by the Company.

For Maximaa Systems Limited

Place : Valsad
Date : 05.09.2018

Sd/-
Mr. Manoj Shah
Managing Director
DIN : 00017594

PRACTICING COMPANY SECRETARY'S REPORT ON CORPORATE GOVERNANCE

To,
The Members,
Maximaa Systems Limited

We have examined the compliance of conditions of Corporate Governance by **Maximaa Systems Limited** as at **31st March 2018**, as stipulated in Clause 49 of the Listing Agreement of the 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 K DALAL & CO.
PRACTICING COMPANY SECRETARIES

Place : Surat
Date : 05.09.2018

Sd/-
Mr. KunjalDalal
C.P. No. 3863
M. No.3530

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
The Members,
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, 2018.

Sd/-
Mr. Manoj Shah
Managing Director
DIN: 00017594

Place: Valsad
Date : 05.09.2018

Independent Auditor's Report on Standalone Financial Statements

To,
**The Members,
MAXIMAA SYSTEMS LIMITED**

We have audited the accompanying standalone financial statements of **MAXIMAA SYSTEMS LIMITED** ("the Company") which comprises the Balance Sheet as at **March 31, 2018**, 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 for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(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 thereunder.

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, 2018**, 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.
 - d. 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.
 - e. On the basis of written representations received from the directors as on **March 31, 2018** taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

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 No: 141767W**

**Sd /-
Mr. Chetan D. Khakhkhar
Proprietor
Membership number: 122647**

Place: Valsad
Date: 30.05.2018

“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 **31st March, 2018**.

- 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, 2018** for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has 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 made preferential allotment of **1,64,35,000** equity shares to Promoter and Non-Promoter Investors and **1,10,40,000** convertible equity warrants on preferential basis during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are applicable to the Company and hence 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/-

Mr. Chetan D. Khakhkhar

Proprietor

Membership number: 122647

Place : Valsad

Date : 30.05.2018

Annexure B” to the Independent Auditor’s Report of even date on the Standalone 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, 2018** 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 and Ind-AS. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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/-

Mr. Chetan D. Khakhkhar

Proprietor

Membership number: 122647

Place : Valsad

Date : 30.05.2018

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

Sr. No.	Particulars	Note No	Year Ended 31 st March, 2018 Rs.	Year Ended 31 st March, 2017 Rs.
I EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
	(a) Share Capital	1	101,172,510.00	101,172,510.00
	(b) Reserves and Surplus	2	42,806,436.00	42,781,686.00
	(2) Equity Share Application Money	3	-	-
(3) Non-Current Liabilities				
	(a) Long-Term Borrowings	4	77,210,150.00	67,077,912.00
	(b) Long-Term Provisions	5	-	-
	(c) Long Term Liabilities	6	1,300,000.00	1,520,000.00
(4) Current Liabilities				
	(a) Short-Term Borrowings	7	112,126,987.00	132,633,653.00
	(b) Trade Payables		24,872,296.00	57,109,000.00
	(c) Other Current Liabilities	8	28,472,962.00	26,969,027.00
	(d) Short-Term Provisions	9	1,676,504.00	3,637,990.00
	Total		<u>389,637,845.00</u>	<u>432,901,778.00</u>
II ASSETS				
(1) Non-Current Assets				
	(a) Fixed assets	10		
	(i) Tangible Assets		133,330,730.00	138,737,180.00
	(ii) Intangible Assets		9,553,658.00	11,153,476.00
	(b) Non-Current Investments	11	20,090,000.00	20,090,000.00
	(c) Long Term Loans and Advances	12	7,577,483.00	8,779,302.00
	(d) Other Non-Current Assets	13	-	1,123,560.00
(2) Current Assets				
	(a) Inventories	14	184,181,443.00	177,758,306.00
	(b) Trade Receivables	15	33,643,861.00	52,173,697.00
	(c) Cash and Bank Equivalents	16	414,633.00	4,781,768.00
	(d) Short-Term Loans and Advances	17	846,037.00	13,439,992.00
	(e) Other Current Assets	18	-	4,864,497.00
	Total		<u>389,637,845.00</u>	<u>432,901,778.00</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 : 30.05.2018		Sd/- MR. MANOJ SHAH DIN: 00017594 Managing Director	Sd/- MR. MAYUR SHAH DIN: 00016358 Jt. Managing Director	
		Sd/- MR. MAHESH SHAH DIN: 00017559 Jt. Managing Director	Sd/- MR. NAGRAJ MOGAVEERA M. No: A49737 Company Secretary	

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Sr. No.	Particulars	Note No	Year Ended 31 st March, 2018 Rs.	Year Ended 31 st March, 2017 Rs.
I	Revenue from Operations	19	121,734,693	122,846,727
II	Other Income	20	<u>1,941,344</u>	<u>(109,497)</u>
III	Total Revenue (I +II)		<u>123,676,037</u>	<u>122,737,230</u>
IV	Expenses:			
a	Cost of Materials Consumed	21	79,963,631	69,761,919
b	Purchase of Stock-in-Trade	22	-	-
c	Manufacturing & Operating Costs	23	9,131,715	8,018,653
d	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(5,392,382)	(3,132,721)
e	Employee Benefit Expenses	25	20,971,981	25,213,354
f	Financial Costs	26	186,806	777,106
g	Depreciation and Amortization Expenses		7,006,268	7,000,000
h	Other Expenses	27	11,783,268	12,464,639
	Total Expenses		<u>123,651,287</u>	<u>120,102,950</u>
V.	Profit before exceptional and extraordinary items and tax (III - IV)		24,750	2,634,280
VI.	Exceptional Items		-	-
IX.	Profit before tax (VII - VIII)		<u>24,750</u>	<u>2,634,280</u>
X.	Tax Expense :-			
	Income Tax for Current Year		-	-
	Income Tax for Earlier Year		-	-
	Less : MAT Credit Entitlement		-	-
			<u>-</u>	<u>-</u>
XI	Profit/(Loss) for the period (IX + X)		<u>24,750</u>	<u>2,634,280</u>
XII.	Earning per equity share:			
	Basic & Diluted		0.0005	0.052
As per our Attached Report of Even Date		FOR AND ON BEHALF OF THE BOARD OF DIRECTORS		
For C. D. Khakhkhar & Co.		Sd/-	Sd/-	
Chartered Accountants		MR. MANOJ SHAH	MR. MAYUR SHAH	
F. R. No. : 141767W		DIN: 00017594	DIN: 00016358	
Sd/-		Managing Director	Jt. Managing Director	
CHETAN KHAKHKHAR				
Proprietor		Sd/-	Sd/-	
Membership No. :122647		MR. MAHESH SHAH	MR. NAGRAJ MOGAVEERA	
Place : Valsad		DIN: 00017559	M. No: A49737	
Date : 30.05.2018		Jt. Managing Director	Company Secretary	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

PARTICULARS	AS AT 31 ST MARCH, 2018 (RS.)	AS AT 31 ST MARCH, 2017 (RS.)
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Exceptional & Extraordinary Items & Tax	24,750	2,634,280
Adjustments for :		
Depreciation	7,006,268	7,000,000
Interest & Expenses on Borrowings	186,806	777,106
Interest Income	1,994,030	122,283
Sundry Balances Written Back	-	-
Provision for Gratuity No Longer Required	-	-
Adjustments for pending Foreign Exchange Realisations	(117,181)	(241,980)
	<u>9,069,923</u>	<u>7,657,409</u>
Operating Profit before Working Capital Changes	9,094,673	10,291,689
Adjustments for :		
Trade Receivables	25,467,814	34,557,106
Inventories	(6,423,137)	(15,389,787)
Trade Payables & Other Liabilities	(32,236,704)	(23,009,311)
	<u>(13,192,027)</u>	<u>(3,841,992)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES A	(4,097,354)	6,449,697
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	-	-
Interest Income	(456,587)	(845,657)
NET CASH FLOW FROM INVESTING ACTIVITIES B	(456,587)	(845,657)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Receipts / Payment for Equity Share Application Money	-	-
Borrowings (Net)	-	(7,438,672)
Interest & Expenses on Borrowings	186,806	777,106
NET CASH FLOW FROM FINANCING ACTIVITIESC	186,806	(6,661,566)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(4,367,135)	(1,057,526)
CASH AND CASH EQUIVALENTS AS AT 1ST APRIL 2017 (OPENING BALANCE)	4,781,768	5,839,294
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH 2018 (CLOSING BALANCE)	414,633	4,781,768

Note :-

- 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.
- 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. Khakhkhar & Co.

Chartered Accountants
F. R. No. : 141767W

Sd/-
CHETAN KHAKHKHAR

Proprietor

Membership No. :122647

Place : Valsad

Date : 30.05.2018

Sd/-
MR. MANOJ SHAH

DIN: 00017594

Managing Director
Sd/-
MR. MAHESH SHAH

DIN: 00017559

Jt. Managing Director
Sd/-
MR. MAYUR SHAH

DIN: 00016358

Jt. Managing Director
Sd/-
MR. NAGRAJ MOGAVEERA

M. No: A49737

Company Secretary

NOTES ON STANDALONE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	As at	As at
		31st March, 2018	31st March, 2017
		Rs.	Rs.
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 (Previous Year 5,05,86,255 Equity Shares of Rs.2/- each) fully paid up.	101,172,510	101,172,510
	Total	101,172,510	101,172,510
Note 2	<u>Reserves and Surplus</u>		
a	<u>Share Premium</u> Opening Balance Add: Share Premium Received on Allotement of Shares Closing Balance	49,418,430 49,418,430	49,418,430 49,418,430
b	<u>Capital Reserve</u> Opening Balance (+) Current Year Transfer (-) Written Back in Current Year Closing Balance	12,180,000 12,180,000	12,180,000 12,180,000
c	<u>Profit & Loss Account</u> Opening Balance Adjustment (+ / -) (+) Net Profit/(Net Loss) For the Current Year Closing Balance	 (18,791,994)	 (18,816,744)
	Total	42,806,436	42,781,686
Note 3	<u>Share Application Money</u> Share Application Money	0	0
Note 4	<u>Long Term Borrowings (Also refer Note - 7)</u>	0	0
A	<u>Secured Term Loans - From Banks</u>		
a	Nature of Security : Term Loan is secured by exclusive and specific charge on the Land & Building and Plant & Machinery at Dharpur.	9,592,868	9,592,868
	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	Nature of Security : Term Loan is secured by exclusive and specific charge on the Building at GIDC Gundlav	24,340,653	20,590,654
	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.		

NOTES ON STANDALONE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	As at	As at
		31st March, 2018	31st March, 2017
		Rs.	Rs.
c	Nature of Security : Term Loan amounting is secured by exclusive and specific charge on the Plant & Machinery at GIDC Gundlav	43,276,629	36,609,969
	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	Nature of Security : Term Loan amounting to Rs.47,94,000/- is secured by Hypothecation over Vehicles in the name of Directors)		284,421
	Total	77,210,150	67,077,912
Note 5	<u>Long Term Provisions</u>		
	Provision for Taxation	0	0
	Provision for Gratuity	0	0
	Total	0	0
Note6	<u>Long Term Liabilities</u>		
	Dealer Deposits	1,300,000	1,520,000
	Total	1,300,000	1,520,000
Note 7	<u>Short Teme 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.)	108,126,987	113,036,988
	Unsecured Loans - From Others	4,000,000	19,596,665
	Total	112,126,987	132,633,653
Note 8	<u>Other Current Liabilities</u>		
	Current Maturities of Long Term Borrowings		15,081,660
	Duties & Taxes Payable	949,889	439,419
	Advance from Customers	19,085,915	7,206,212
	Advance from Directors	4,370,131	
	Other Liability	4,067,027	4,241,736
	Total	28,472,962	26,969,027

NOTES ON STANDALONE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	As at	As at
		31st March, 2018	31st March, 2017
		Rs.	Rs.
Note 9	<u>Short Term Provisions</u>		
	Salary & Wages Payable	0	2,452,300
	Contribution to PF	0	72,000
	Professional Tax Payable	0	60,820
	Gratuity Provision	1,676,504	1,035,239
	Insurance Deduction	0	0
	Other Provisions	0	17,631
	Total	1,676,504	3,637,990
Note 11	<u>Long Term Investments</u> <u>(Unquoted - Non-Trade)</u>		
	Equity Share With Essenza Life Science Ltd	2,090,000	2,090,000
	Equity Share With Proyurveda Lifescience Pvt. Ltd.	18,000,000	18,000,000
	Total	20,090,000	20,090,000
Note 12	<u>Long Term Loans and Advances</u> <u>(Unsecured - Considered Good)</u>		
	Security Deposits	7,566,983	8,779,302
	Advance Income Tax & TDS	10,500	0
	Other Loans & Advances	0	0
	Total	7,577,483	8,779,302
Note 13	<u>Other Non-Current Assets</u>		
	MAT Credit Entitlement	0	1,123,560
	Total	0	1,123,560
Note 14	<u>Inventories</u>		
	Raw Materials	58,514,279	57,483,524
	Work In Progress	78,989,600	67,567,243
	Finished Goods	46,677,564	46,843,671
	Stock In Trade	0	5,480,837
	Packing Materials	0	0
	Plant & Machinery held for disposal	0	383,031
	Total	184,181,443	177,758,306
Note 15	<u>Trade Receivables (Unsecured - Considered Good)</u> <u>(Unsecured - Considered Good)</u>		
	Trade Receivables outstanding for a period exceeding six months from the date they are due for payment.	4,881,070	45,723,883
	Trade Receivables outstanding for a period less than six months from the date they are due for payment.	28,762,791	6,449,814
	Total	33,643,861	52,173,697

NOTES ON STANDALONE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	As at	As at
		31st March, 2018	31st March, 2017
		Rs.	Rs.
Note 16	<u>Cash and Cash Equivalents</u>		
	Balances with Banks	120,109	4,103,746
	Cash on Hand	294,524	678,022
	Cheque On Hand	0	0
	Margin Money Deposits with Bank	0	0
	Total	414,633	4,781,768
Note 17	<u>Short Term Loans and Advances</u> (Unsecured - Considered Good)		
	Advances to Suppliers	0	0
	Capital Advances	0	0
	Advances to Related Parties	0	2,054,818
	Advances to Employees	444,501	1,243,112
	Prepaid Expenses	45,874	0
	Balances with Government Authorities	175,662	1,525,598
	Other Loans & Advances	180,000	8,616,464
	Total	846,037	13,439,992
Note 18	<u>Other Current Assets</u>		
	Accrued Interest on Deposits	0	102,258
	Accrued Foreign Exchange Gain (Net)	0	4,762,239
	Total	0	4,864,497
Note 19	<u>Revenue from Operations</u>		
	<u>Sale of Products</u>		
	<u>Manufactured Sales</u>		
	- Storage Systems Division	86,043,937	103,243,584
	- Proyurveda Division	22,921,492	19,984,593
	<u>Trading Sales</u>		
	- Storage Systems Division	300	62,120
	- Proyurveda Division		
	<u>Income from Services</u>		
	Erection Services	1,885,271	1,715,506
	Information Technology Services	10,883,693	9,001,437
	Less: Excise Duty Recovered		11,160,513
	Total	121,734,693	122,846,727
Note 20	<u>Othe Income</u>		
	Rent Income		
	Other Income	47,260	8,280
	Foreign Exchange Gain (Net)	(117,181)	(241,980)
	Gratuity Provision Written Back		
	Discount Received	17,235	1,920
	Sundry Balances Written Back	1,994,030	122,283
	Total	1,941,344	(109,497)

NOTES ON STANDALONE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	As at	As at
		31st March, 2018	31st March, 2017
		Rs.	Rs.
Note 21	<u>Cost of Materials Consumed</u>		
	<u>- Storage Systems Division</u>		
	Opening Stock	21,359,186	20,641,586
	Add : Purchases	71,887,440	67,811,015
	Total :	93,246,626	88,452,601
	Less: Closing Stock	15,226,701	21,359,186
		78,019,925	67,093,415
	<u>- Proyurveda Division</u>		
	Opening Stock	36,124,338	24,584,872
	Add : Purchases	9,106,946	14,207,970
	Total :	45,231,284	38,792,842
	Less: Closing Stock	43,287,578	36,124,338
		1,943,706	2,668,504
	Total Cost of Materials Consumed :	79,963,631	69,761,919
Note 22	<u>Purchase of Stock In Trade</u>		
	Storage Systems Division		
	Proyurveda Division		
	Total	0	0
Note 23	<u>Manufacturing and Operating Costs</u>		
	Processing Charges		
	Consumables Stores		
	Freight & Carriage Expenses	958,119	1,586,743
	Information Technology Service Expenses	2,043,049	
	Other Factory Expenses	3,039,745	4,297,847
	Packing Expenses	676,623	115,469
	Power & Fuel	2,375,739	1,786,469
	Repairs And Maintenance - Factory Building	38,440	148,623
	Repairs And Maintenance - Plant & Machinery		83,502
	Total	9,131,715	8,018,653
Note 24	<u>Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade</u>		
	<u>Opening Stock</u>		
	Material In Process	67,567,243	62,556,768
	Finished Goods	46,843,671	41,878,973
	Stock In Traded	5,863,868	12,323,289
	Total	120,274,782	116,759,030
	<u>Less : Closing Stock</u>		
	Material In Process	78,989,600	67,567,243
	Finished Goods	46,677,564	46,843,671
	Stock In Traded	0	5,480,837
	Total	125,667,164	119,891,751
	Excise Duty on Closing Stock of Finished Goods		
	Less : Excise Duty on Opening of Finished Goods		
	Add (Less) : Variation in Excise Duty on Opening & Closing Stock of Finished Goods		
	Total of Change In Inventories	(5,392,382)	(3,132,721)

NOTES ON STANDALONE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	As at	As at
		31st March, 2018	31st March, 2017
		Rs.	Rs.
Note 25	<u>Employee Benefit Expenses</u>		
	Salaries and Wages	17,476,400	20,132,493
	Directors Remuneration	2,520,000	3,987,960
	Contribution to Provident and Other Funds	156,481	564,808
	Bonus	101,685	215,001
	Gratuity	462,097	157,029
	Staff Welfare Expenses	255,318	156,063
	Total	20,971,981	25,213,354
Note 26	<u>Finance Costs</u>		
	Interest Charges	186,806	777,106
	Other Borrowing Costs		
	Total	186,806	777,106
Note 27	<u>Other Expenses</u>		
	Advertisement Expenses	125,553	248,340
	Audit Fees		100,000
	Bank Charges	91,055	143,074
	Commission on Sales	373,291	261,609
	Custody Fees & RTA Expenses	216,844	96,883
	Electricity Expenses	370,468	656,512
	Insurance Expenses	143,583	0
	Legal & Professional Fees	822,221	570,463
	Listing Fees	430,000	225,000
	Misc. Expenses	516,983	1,133,067
	Sundry Dr Bal W/Off	561,377	93,398
	Postage & Couries Expenses	131,418	135,043
	Printing & Stationery Expenses	217,363	249,550
	Rates & Taxes	1,167,011	103,048
	Rent	0	1,570,037
	Office Expenses	918,983	
	Repairs & Maintenance - Others	90,412	101,978
	Selling & Distribution/ Business Promotion Expenses	2,079,337	3,104,309
	Telephone & Mobile Expenses	257,641	445,748
	Tempo Expenses	189,766	
	Travelling & Conveyance Expenses	2,860,434	2,932,684
	Vehicle Expenses	219,528	293,896
	TOTAL	11,783,268	12,464,639
As per our Attached Report of Even Date		FOR AND ON BEHALF OF THE BOARD OF DIRECTORS	
For C. D. Khakhkhar & Co.		Sd/-	Sd/-
Chartered Accountants		MR. MANOJ SHAH	MR. MAYUR SHAH
F. R. No. : 141767W		DIN: 00017594	DIN: 00016358
Sd/-		Managing Director	Jt. Managing Director
CHETAN KHAKHKHAR			
Proprietor		Sd/-	Sd/-
Membership No. :122647		MR. MAHESH SHAH	MR. NAGRAJ MOGAVEERA
Place : Valsad		DIN: 00017559	M. No: A49737
Date : 30.05.2018		Jt. Managing Director	Company Secretary

Note 28: Related Party Disclosure (As identified by the Management)
1. Related Party Relationships:

- | | | | |
|------|---|---|---|
| i. | Enterprises owned by Directors or Major Shareholders Where control exist | : | Essenzaa Lifescience Ltd |
| ii. | Key Managerial Personnel | : | Mr. Manoj Shah
Mr. Mayur Shah
Mr. Mahesh Shah |
| iii. | Relatives of Key Managerial Personnel and their enterprises Where transactions have taken place | : | Mr. Manoj B Shah HUF
Mr. Mayur B Shah HUF
Mr. Mahesh B Shah HUF
Mr. Kunal Shah
Mr. Manan Shah |

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	12,00,000	-	-	12,00,000
ii	Rent	-	-	-	-
iii	Salary	-	-	12,00,000	12,00,000
iv	Sale of Traded Goods	-	-	-	-
v	Share Application Money paid	-	-	-	-

3. Balance Outstanding as on 31-03-2018

	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	Advances Given	-	-	-	-
ii	Sundry Debtors	-	-	-	-
iii	Security Deposit Given	-	-	-	-
iv	Share Application Money Received	-	-	-	-
v	Unsecured Loan Accepted	-	-	-	-

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

Annexure - I**STATEMENT OF SIGNIFICANT ACCOUNTING POLICES ON STANDALONE FINANCIAL STATEMENT****1 General :**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind-AS) as adopted by the Company w.e.f 01st April 2017. The financial statements have been prepared as per Ind-AS and going concern basis under the historical cost convention.

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 Ind-AS and 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 recognised in the period in which the results are known/ materialised.

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 the fixed assets has been provided on straight line method at the rates and in the manner prescribed under Schedule II of the Companies Act, 2013.
- 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 :

Long-term investments are stated at the cost of acquisition. Provision for diminution in the value of Long term Investment has been made during the year whenever there is decline other than temporary in the opinion of the Management.

7 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised but are disclosed in the notes. Contingent Assets are neither recognised 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 31st March, 2018 has been recognised 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.

12 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 recognised 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 realised.

13. 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.

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

Independent Auditor's Report on the Consolidated Financial Statements

To,
**The Members,
MAXIMAA SYSTEMS LIMITED**

Report on the Consolidated Financial Statements:

We have audited the accompanying consolidated financial statements of **MAXIMAA SYSTEMS LIMITED** (hereinafter referred to as "**the Holding Company**") and its subsidiary **PROYURVEDA LIFESCIENCE PRIVATE LIMITED** (the **Holding Company and its subsidiary together referred to as "the Group"**) comprising of the consolidated Balance Sheet as at **March 31, 2018**, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Standalone Financial Statements:

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2018, and their consolidated Profit/Loss and their consolidated 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 of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books;
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group companies and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group Company does not have any pending litigations which would impact its financial position.
 - ii. The Group 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 No: 141767W

Mr. Chetan D. Khakhkhar
Proprietor
Membership number: 122647

Place : Valsad
Date : 30.05.2018

“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 on the consolidated financial statements of **Maximaa Systems Limited**

- 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) There were no 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 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, 2018 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has 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 made preferential allotment of **1,64,35,000** equity shares and **1,10,40,000** convertible equity instruments during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are applicable to the Company and hence commented upon.
- 15) 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 No: 141767W

Sd/-

Mr. Chetan D. Khakhkhar

Proprietor

Membership number: 1226

Place : Valsad

Date : 30.05.2018

Annexure B” to the Independent Auditor’s Report of even date on the 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, 2018** in conjunction with our audit of the consolidated 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 and Ind-AS. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance

with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **March 31, 2018**, 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 No: 141767W

Sd/-
Mr. Chetan D. Khakhkhar
Proprietor
Membership number: 122647

Place : Valsad
Date : 30.05.2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Sr. No.	Particulars	Note No	Year Ended 31 st March, 2018 Rs.	Year Ended 31 st March, 2017 Rs.
I EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
	(a) Share Capital	1	112,773,510.00	112,773,510.00
	(b) Reserves and Surplus	2	20,697,776.00	22,449,686.00
	(c) Share Application Money			
	(2) Money Received against Share Warrants	3	26,000,000.00	26,000,000.00
(3) Non-Current Liabilities				
	(a) Long-Term Borrowings	4	77,210,150.00	67,077,912.00
	(b) Long-Term Provisions	5	0.00	0.00
	(c) Long Term Liabilities	6	1,300,000.00	1,520,000.00
(4) Current Liabilities				
	(a) Short-Term Borrowings	7	127,309,597.00	135,567,956.00
	(b) Trade Payables		43,100,460.00	75,636,608.00
	(c) Other Current Liabilities	8	29,219,834.00	27,153,653.00
	(d) Short-Term Provisions	9	1,676,504.00	3,637,990.00
	Total		439,287,831.00	471,817,315.00
II ASSETS				
(1) Non-Current Assets				
	(a) Fixed assets	10		
	(i) Tangible Assets		133,343,468.00	138,768,198.00
	(ii) Intangible Assets		9,553,658.00	11,153,476.00
	(b) Non-Current Investments	11	20,090,000.00	20,090,000.00
	(c) Long Term Loans and Advances	12	33,622,483.00	42,147,042.00
	(d) Other Non-Current Assets	13	0.00	1,123,560.00
(2) Current Assets				
	(a) Inventories	14	187,522,744.00	180,598,358.00
	(b) Trade Receivables	15	34,621,575.00	54,521,205.00
	(c) Cash and Bank Equivalents	16	498,058.00	4,988,687.00
	(d) Short-Term Loans and Advances	17	19,728,684.00	13,439,992.00
	(e) Other Current Assets	18	307,161.00	4,986,797.00
	Total		439,287,831.00	471,817,315.00
As per our Attached Report of Even Date		FOR AND ON BEHALF OF THE BOARD OF DIRECTORS		
For C. D. Khakhkar & Co.		Sd/-	Sd/-	
Chartered Accountants		MR. MANOJ SHAH	MR. MAYUR SHAH	
F. R. No. : 141767W		DIN: 00017594	DIN: 00016358	
Sd/-		Managing Director	Jt. Managing Director	
MR. CHETAN KHAKHKHAR		Sd/-	Sd/-	
Proprietor		MR. MAHESH SHAH	MR. NAGRAJ MOGAVEERA	
Membership No. :122647		DIN: 00017559	M. No: A49737	
Place : Valsad		Jt. Managing Director	Company Secretary	
Date : 30.05.2018				

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Sr. No.	Particulars	Note No	Year Ended	Year Ended
			31 st March, 2018	31 st March, 2017
			Rs.	Rs.
I	Revenue from Operations	19	122,218,416	130,917,727
II	Other Income	20	2,038,113	43,503
III	Total Revenue (I +II)		124,256,529	130,961,230
IV	Expenses:			
a	Cost of Materials Consumed	21	79,963,631	69,761,919
b	Purchase of Stock-in-Trade	22	2,019,116	7,657,000
c	Manufacturing & Opertaing Costs	23	9,131,715	9,585,658
d	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(5,913,082)	(5,973,721)
e	Employee Benefit Expenses	25	21,320,716	28,958,354
f	Financial Costs	26	187,850	777,106
g	Depreciation and Amortization Expenses		7,024,728	7,019,000
h	Other Expenses	27	13,168,400	35,243,634
	Total Expenses		126,903,074	153,028,950
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(2,646,545)	(22,067,720)
VI.	Exceptional Items		-	-
IX.	Profit before tax (VII - VIII)		(2,646,545)	(22,067,720)
X.	Tax Expense :-			
	Income Tax for Current Year		-	-
	Income Tax for Earlier Year		-	-
	Less : MAT Credit Entitlement		-	-
			-	-
XI	Profit/(Loss) for the period (IX + X)		(2,646,545)	(22,067,720)
XII.	Earning per equity share:			
	Basic & Diluted		(0.052)	(0.436)
As per our Attached Report of Even Date		FOR AND ON BEHALF OF THE BOARD OF DIRECTORS		
For C. D. Khakhkhar & Co.		Sd/-	Sd/-	
Chartered Accountants		MR. MANOJ SHAH	MR. MAYUR SHAH	
F. R. No. : 141767W		DIN: 00017594	DIN: 00016358	
Sd/-		Managing Director	Jt. Managing Director	
MR. CHETAN KHAKHKHAR				
Proprietor		Sd/-	Sd/-	
Membership No. :122647		MR. MAHESH SHAH	MR. NAGRAJ MOGAVEERA	
Place : Valsad		DIN: 00017559	M. No: A49737	
Date : 30.05.2018		Jt. Managing Director	Company Secretary	

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	STORAGE	I. T.	PROYURVEDA	Unallocate	PLPL (Subsidiary Co)	As at 31st March, 2018	As at 31st March, 2017
							Rs.	Rs.
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				12,500,000	21,45,00,000	21,45,00,000
b	<u>Issued, Subscribed & Paid-Up Capital</u>							
	5,05,86,255 Equity Shares of Rs.2/- each (Previous Year 5,05,86,255 Equity Shares of Rs.2/- each) fully paid up.& 1160100 Equity Shares of Rs 10/- Fully paid up	101,172,510				11,601,000	112,773,510	112,773,510
	Total	101,172,510	0	0	0	11,601,000	112,773,510	112,773,510
Note 2	<u>Reserves and Surplus</u>							
a	<u>Share Premium</u>							
	Opening Balance	49,418,430				11,501,000		49,418,430
	Add: Share Premium Received on Allotment of Shares							11,501,000
	Closing Balance	49,418,430				11,501,000	60,919,430	60,919,430
b	<u>Capital Reserve</u>							
	Opening Balance	12,180,000						
	(+) Current Year Transfer							
	(-) Written Back in Current Year							
	Closing Balance	12,180,000					12,180,000	12,180,000
c	<u>Profit & Loss Account</u>							
	Opening Balance - MSL						(18,816,744)	(28,543,906)
	Opening Balance - PLPL					(30,963,114)	(30,963,114)	
	Adjustment (+ / -)							
	(+) Net Profit/(Net Loss) For the Current Year (MSL)						24,750	2,634,280
	(+) Net Profit/(Net Loss) For the Current Year (PLPL)					(2,646,545)	(2,646,545)	(24,740,118)
	Closing Balance					(33,609,659)	(52,401,654)	(50,649,744)
	Total	61,598,430	0	0	0	(22,108,659)	20,697,776	22,449,686
Note 3	<u>Money Received against Share Warrants</u>							
	5 Share warrents of Rs. 52 lakhs each issued to Bennett Coleman & Co convertible into Equity shares at the end of 5 years					26,000,000	26,000,000	26,000,000
	Total	0	0	0	0	26,000,000	26,000,000	26,000,000

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	STORAGE	I. T.	PROYURVEDA Unallocate	PLPL (Subsidiary Co)	As at 31st March, 2018	As at 31st March, 2017
						Rs.	Rs.
Note 4	<u>Long Term Borrowings</u>						
A	<u>Secured Term Loans - From Banks</u>						
a	Nature of Security : Term Loan amounting is secured by exclusive and specific charge on the Land & Building and Plant & Machinery at Dhampur.	9,592,868				9,592,868	9,592,868
	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	Nature of Security : Term Loan amounting is secured by exclusive and specific charge on the Building at GIDC Gundlav			24,340,653		24,340,653	20,590,654
	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	Nature of Security : Term Loan amounting is secured by exclusive and specific charge on the Plant & Machinery at GIDC Gundlav			43,276,629		43,276,629	36,609,969
	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	Nature of Security : Term Loan amounting is secured by Hypothecation over Vehicles in the name of Directors)					0	284,421
	Total	9,592,868	0	67,617,282	0	77,210,150	67,077,912
Note 5	<u>Long Term Provisions</u>						
	Provision for Taxation					0	0
	Provision for Gratuity					0	0
	Total	0	0	0	0	0	0
Note6	<u>Long Term Liabilities</u>						
	Dealer Deposits	115,000		1,185,000		1,300,000	1,520,000
	Total	115,000	0	1,185,000	0	1,300,000	1,520,000

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	STORAGE	I. T.	PROYURVEDA	Unallocate	PLPL (Subsidiary Co)	As at 31st March, 2018	As at 31st March, 2017
							Rs.	Rs.
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.)	53,683,972	0	54,443,015			108,126,987	113,036,988
	Unsecured - From Others	0	0	4,000,000	0	15,182,610	19,182,610	22,530,968
	Total	53,683,972	0	58,443,015	0	15,182,610	127,309,597	135,567,956
Note 8	<u>Other Current Liabilities</u>							
	Current Maturities of Long Term Borrowings						0	15,081,660
	Duties & Taxes Payable	530,243		419,646		41,511	991,400	624,045
	Advance from Customers	203,268		18,882,647			19,085,915	7,206,212
	Advance from Directors			4,370,131			4,370,131	0
	Other Current Liabilites			4,067,027		705,361	4,772,388	4,241,736
	Total	733,511	0	27,739,451	0	746,872	29,219,834	27,153,653
Note 9	<u>Short Term Provisions</u>							
	Salary & Wages Payable	0	0	0			0	2,452,300
	Contribution to PF	0	0	0			0	72,000
	Professional Tax Payable	0	0	0			0	60,820
	Gratuity Provision	1,613,832	0	62,672			1,676,504	1,035,239
	Insurance Deduction	0	0	0			0	0
	Other Provisions	0	0	0			0	17,631
	Total	1,613,832	0	62,672	0	0	1,676,504	3,637,990
Note 11	<u>Long Term Investments</u>							
	<u>(Unquited - Non-Trade)</u>							
	Equity Share With Essenza Life Science Ltd	2,090,000					2,090,000	2,090,000
	Equity Share With Proyurveda Lifescience Pvt. Ltd.	18,000,000					18,000,000	18,000,000
	Total	20,090,000	0	0	0	0	20,090,000	20,090,000
Note 12	<u>Long Term Loans and Advances</u>							
	<u>(Unsecured - Considered Good)</u>							
	Security Deposits	7,553,983		13,000			7,566,983	8,779,302
	Advance Income Tax & TDS			10,500		45,000	55,500	0
	Advance Given to MSL						0	7,206,212
	Advance given to Bennett Coleman & Co					26,000,000	26,000,000	26,161,528
	Other Loans & Advances						0	0
	Total	7,553,983	0	23,500	0	26,045,000	33,622,483	42,147,042

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	STORAGE	I. T.	PROYURVEDA	Unallocate	PLPL (Subsidiary Co)	As at 31st March, 2018	As at 31st March, 2017
							Rs.	Rs.
Note 13	<u>Other Non-Current Assets</u>							
	MAT Credit Entitelment						0	1,123,560
	Total	0	0	0	0	0	0	1,123,560
Note 14	<u>Inventories</u>							
	Raw Materials	15,226,701		43,287,578			58,514,279	57,483,524
	Work In Progress	38,000,000		40,989,600			78,989,600	67,567,243
	Finished Goods	16,000,000		30,677,564			46,677,564	46,843,671
	Stock In Trade						0	5,480,837
	Packing Materials						0	383,031
	PLPL Finished Goods					3,341,301	3,341,301	2,840,052
	Total	69,226,701	0	114,954,742	0	3,341,301	187,522,744	180,598,358
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.	443,110	1,904,278	2,533,682			4,881,070	45,723,883
	Trade Receivables outstanding for a period less than six months from the date they are due for payment.	3,498,004	17,829,168	7,435,619			28,762,791	6,449,814
	PLPL Trade Receivable					977,714	977,714	2,347,508
	Total	3,941,114	19,733,446	9,969,301	0	977,714	34,621,575	54,521,205
Note 16	<u>Cash and Cash Equivalents</u>							
	Balances with Banks	27,554		92,555		40,224	160,333	4,308,231
	Cash on Hand	40,000		254,524		43,201	337,725	680,456
	Total	67,554	0	347,079	0	83,425	498,058	4,988,687
Note 17	<u>Short Term Loans and Advances (Unsecured - Considered Good)</u>							
	Advances to Suppliers							
	Capital Advances							
	Advances to Related Parties					18,882,647	18,882,647	2,054,818
	Advances to Employees	415,654	0	28,847			444,501	1,243,112
	Prepaid Expenses	45,874	0	0			45,874	0
	Balances with Government Authorities	115,475	0	60,187			175,662	1,525,598
	Other Loans & Advances	180,000	0	0			180,000	8,616,464
	Total	757,003	0	89,034	0	18,882,647	19,728,684	13,439,992
Note 18	<u>Other Current Assets</u>							
	Other Current Assets					307,161	307,161	4,986,797
	Accrued Interest on Deposits						0	0
	Accrued Foreign Exchange Gain (Net)						0	0
	Total	0	0	0	0	307,161	307,161	4,986,797

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	STORAGE	I. T.	PROYURVEDA	Unallocate	PLPL (Subsidiary Co)	As at 31st March, 2018	As at 31st March, 2017
							Rs.	Rs.
Note 19	<u>Revenue from Operations</u>							
	<u>Sale of Products</u>							
	<u>Manufactured Sales</u>							
	- Storage Systems Division	86,043,937					86,043,937	103,243,584
	- Proyurveda Division			22,921,492			22,921,492	19,984,593
	<u>Trading Sales</u>						0	0
	- Storage Systems Division	300					300	62,120
	- Proyurveda Division					483,723	483,723	8,071,000
	- PLPL (Subsidiary Co)						0	0
	<u>Income from Services</u>						0	0
	Erection Services	1,885,271					1,885,271	1,715,506
	Information Technology Services		10,883,693				10,883,693	9,001,437
	Less: Excise Duty Recovered						0	11,160,513
	Total	87,929,508	10,883,693	22,921,492	0	483,723	122,218,416	130,917,727
Note 20	<u>Othe Income</u>							
	Rent Income							
	Other Income	16,389		30,871			47,260	8,280
	Foreign Exchange Gain (Net)	(117,181)					(117,181)	(241,980)
	Rate Difference					33,088	33,088	0
	Discount Received	17,235					17,235	1,920
	Sundry Balances Written Back	1,994,030				63,681	2,057,711	275,283
	Total	1,910,473	0	30,871	0	96,769	2,038,113	43,503
Note 21	<u>Cost of Materials Consumed</u>							
	<u>- Storage Systems Division</u>							
	Opening Stock	21,359,186					21,359,186	20,641,586
	Add : Purchases	71,887,440					71,887,440	67,811,015
	Total :	93,246,626					93,246,626	88,452,601
	Less: Closing Stock	15,226,701					15,226,701	21,359,186
		78,019,925					78,019,925	67,093,415
	<u>- Proyurveda Division</u>							
	Opening Stock			36,124,338			36,124,338	24,584,872
	Add : Purchases			9,106,946			9,106,946	14,207,970
	Total :			45,231,284		0	45,231,284	38,792,842
	Less: Clsosing Stock			43,287,578			43,287,578	36,124,338
				1,943,706		0	1,943,706	2,668,504
	Total Cost of Materials Consumed :	78,019,925		1,943,706		0	79,963,631	69,761,919
Note 22	<u>Purchase of Stock In Trade</u>							
	Storage Systems Division							
	Proyurveda Division							
	PLPL					2,019,116	2,019,116	7,657,000
	Total	0	0	0	0	2,019,116	2,019,116	7,657,000

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	STORAGE	I. T.	PROYURVEDA	Unallocate	PLPL (Subsidiary Co)	As at 31st March, 2018	As at 31st March, 2017
							Rs.	Rs.
Note 23	<u>Manufacturing and Operating Costs</u>							
	Processing Charges							
	Consumables Stores							
	Freight & Carriage Expenses	904,839		53,280			958,119	1,586,743
	Information Technology Service Expenses		2,043,049				2,043,049	0
	Other Factory Expenses	2,722,956		316,789			3,039,745	4,297,847
	Packing Expenses	36,807		639,816			676,623	115,469
	Power & Fuel	2,375,739					2,375,739	1,786,469
	Repairs And Maintenance - Factory Building			38,440			38,440	148,623
	PLPL Expenses						0	1,567,005
	Repairs And Maintenance - Plant & Machinery						0	83,502
	Total	6,040,341	2,043,049	1,048,325	0	0	9,131,715	9,585,658
Note 24	<u>Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade</u>							
	<u>Opening Stock</u>							
	Material In Process	43,854,785		23,712,458			67,567,243	62,556,768
	Finished Goods	5,739,650		41,104,021			46,843,671	41,878,973
	Stock In Traded	3,463,868		2,400,000		2,820,601	8,684,469	12,323,289
	Total	53,058,303		67,216,479		2,820,601	123,095,383	116,759,030
	<u>Less : Closing Stock</u>							
	Material In Process	38,000,000		40,989,600			78,989,600	67,567,243
	Finished Goods	16,000,000		30,677,564			46,677,564	49,684,671
	Stock In Traded	0		0		3,341,301	3,341,301	5,480,837
	Total	54,000,000		71,667,164		3,341,301	129,008,465	122,732,751
	Excise Duty on Closing Stock of Finished Goods							
	Less : Excise Duty on Opening of Finished Goods							
	Add (Less) : Variation in Excise Duty on Opening & Closing Stock of Finished Goods							
	Total of Change In Inventories	(941,697)	0	(4,450,685)	0	(520,700)	(5,913,082)	(5,973,721)
Note 25	<u>Employee Benefit Expenses</u>							
	Salaries and Wages	6,678,893	2,579,663	8,217,844		348,272	17,824,672	20,132,493
	Directors Remuneration	840,000		1,680,000			2,520,000	7,732,960
	Contribution to Provident and Other Funds			156,481			156,481	564,808
	Bonus			101,685			101,685	215,001
	Gratuity	462,097		0			462,097	157,029
	Staff Welfare Expenses	91,966		163,352		463	255,781	156,063
	Total	8,072,956	2,579,663	10,319,362	0	348,735	21,320,716	28,958,354

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

SR. NO	PARTICULARS	STORAGE	I. T.	PROYURVEDA	Unallocate	PLPL (Subsidiary Co)	As at 31st March, 2018	As at 31st March, 2017
							Rs.	Rs.
Note 26	<u>Finance Costs</u>							
	Interest Charges	577	0	186,229		1,044	187,850	777,106
	Other Borrowing Costs							
	Total	577	0	186,229	0	1,044	187,850	777,106
Note 27	<u>Other Expenses</u>							
	Advertisement Expenses	48,500		77,053			125,553	248,340
	Audit Fees						0	100,000
	Bank Charges	22,244		68,811			91,055	143,074
	Commission on Sales	75,644		297,647			373,291	261,609
	Custody Fees & RTA Expenses			216,844			216,844	96,883
	Electricity Expenses	173,798		196,670			370,468	656,512
	Insurance Expenses	67,336		76,247			143,583	
	PLPL Expenses					1,385,132	1,385,132	22,778,995
	Legal & Professional Fees	87,850		734,371			822,221	570,463
	Listing Fees	250,000		180,000			430,000	225,000
	Misc. Expenses	70,149		446,834			516,983	1,133,067
	Bad Debts						0	0
	Discount						0	0
	Sundry Dr Bal W/Off	561,377					561,377	93,399
	Postage & Couries Expenses	27,335		104,083			131,418	135,043
	Printing & Stationery Expenses	43,757		173,606			217,363	249,550
	Rates & Taxes	769,928		397,083			1,167,011	103,048
	Rent						0	1,570,037
	Office Expenses			918,983			918,983	0
	Repairs & Maintenance - Others	80,332		10,080			90,412	101,978
	Selling & Distribution/ Business							
	Promotion Expenses	637,629		1,441,708			2,079,337	3,104,309
	Telephone & Mobile Expenses	140,383		117,258			257,641	445,747
	Tempo Expenses	189,766					189,766	0
	Travelling & Conveyance Expenses	588,188		2,272,246			2,860,434	2,932,684
	Vehicle Expenses	38,554		180,974			219,528	293,896
	TOTAL	3,872,770	0	7,910,498	0	1,385,132	13,168,400	35,243,634

As per our Attached Report of Even Date

For C. D. Khakhkar & Co.
Chartered Accountants
F. R. No. : 141767W
Sd/-
MR. CHETAN KHAKHKHAR
Proprietor
Membership No. :122647

Place : Valsad
Date : 30.05.2018

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
MR. MANOJ SHAH
DIN: 00017594
Managing Director

Sd/-
MR. MAHESH SHAH
DIN: 00017559
Jt. Managing Director

Sd/-
MR. MAYUR SHAH
DIN: 00016358
Jt. Managing Director

Sd/-
MR. NAGRAJ MOGAVEERA
M. No: A49737
Company Secretary

STATEMENT OF SIGNIFICANT ACCOUNTING POLICES ON CONSOLIDATED STATEMENTS:
1. General:

The accompanying Consolidated Financial Statements (CFS) for **Maximaa Systems Limited (MSL)** ("the company") and its Subsidiary Company **Proyurveda Lifescience Private Limited (PLPL)** (up to 30th March, 2018) have been prepared and presented under historical cost convention, in accordance with the Generally Accepted Accounting Principles (Indian GAAP) and Ind-AS. Specifically, the recognition, measurement and disclosure provision of AS 21 to the extent possible is in the same formats that have been adopted by the Company for its separate financial statements.

2. Principles of Consolidation:

- a. The consolidated financial statements include the financial statement of MSL and its subsidiary company as stated above.
- b. The consolidation financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the parents company's separate financial statements except otherwise stated elsewhere in this schedule. The Financial statements of the Company and its subsidiary company have been combined on consolidated basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21—"Consolidated Financial Statements".
- c. The details of subsidiary company:

Name of the Subsidiary Company	Financial year ended on	Holding by MSL	Country of Incorporation
Proyurveda Lifescience Private Limited (PLPL)	31.03.2018	77.58%	India

3. Use of Estimate:

The preparation of financial statements, in conformity with the generally accepted accounting principles and Ind-AS requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Actual result could differ from those estimates.

4. Fixed Assets:

Fixed assets are stated at historical cost of acquisition or construction, less accumulated depreciation and all costs including financing cost till the date of capitalization.

5. Depreciation:

Depreciation on the Fixed Assets has been provided on pro-rata basis on straight line method at the rates prescribed by Schedule II of the Companies Act, 2013.

6. Impairment Of Assets:

An assets is treated as impaired, when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any, charged to profit and loss account, in the year in which an asset is identified as impaired. The impairment less recognized is prior accounting period is reversed if there has been a change in estimate of recoverable amount.

7. Inventories:

In general, all inventories of finished, work-in-progress etc. are stated at lower of cost or net realizable value. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Raw materials & Stores and Spares are stated at cost on FIFO basis. Waste and by product are valued at net realizable value.

8. Investment:

Investments other than in subsidiary have been accounted as per Accounting Standard -13 (AS) on "Accounting for Investments". Long-term investments are stated at the cost of acquisition. Provision for diminution in the value of Long term Investment has been made during the year whenever there is decline other than temporary in the opinion of the Management.

9. Transaction in Foreign Exchange:

Transactions denominated in foreign currency are normally recorded at the customs exchange rates prevailing at the time of transaction as per AS-11 monetary Items denominated in foreign currencies at the year end are restated at year end rates.

10. Taxation:**i. Current Tax:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

ii. Deferred Tax:

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and loss that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax assets is recognized and carried forwarded only to the extent that there is a reasonable certainty that the assets will be realized in future.

11. Sales & Purchase:

Sales are recorded net of return, rate difference and sales claim. Purchases are recorded inclusive of all taxes excluding VAT net of return rate difference and purchases claims.

12. Provision, Contingent Liability 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.

CEO / CFO CERTIFICATION

To,
The Board of Directors,
Maximaa Systems Limited

We, the undersigned, in our respective capacities as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company hereby certify that, to the best of our knowledge and belief:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2018 and that to the best of our 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 and Ind-AS, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls and evaluating the effectiveness of the same for financial reporting for the financial year ended March 31, 2018 and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the financial year;
 - ii. significant changes, if any, in the accounting policies during the said financial year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Mr. Manoj Shah
Chairman & Managing Director
DIN : 00017594

Place : Valsad
Date : 30.05.2018

FOR KIND ATTENTION OF SHAREHOLDERS**Dear Shareholders,**

As per the provisions of Section 88 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the Company needs to update its 'Register of Members' to incorporate certain new details, as required under the said provisions. Further, as per the "Green Initiative in the Corporate Governance" initiated by the Ministry of Corporate Affairs (MCA), vide its Circular No.17/2011 dated 21/04/2011, the Company proposes to send all the notices, documents including Annual Report in electronic form to its members.

We, therefore request the Members to furnish the following details for updation of Register of Members and enable the Company to send all communication to them through electronic mode:

Folio No:

Name of the Shareholder:

Father's/Mother's/Spouse's Name:

Address (Registered Office Address in case the Member is a Body Corporate):

E-mail Id:

PAN or CIN:

UIN (Aadhar Number):

Occupation:

Residential Status:

Nationality:

In case member is a minor, name of the guardian:

Date of birth of the Member:

Note: Members holding shares in DEMAT mode may furnish these details to their respective DPs.

Place :

Date :

Signature of the Member

Kindly submit the above details duly filled in and signed at the appropriate place to the **Registrar & Share Transfer Agent** of the Company viz "**Purva Sharegistry (India) Private Limited**, 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai – 400011, Maharashtra, India.

The E-mail ID provided shall be updated subject to successful verification of Members' signature. The members may receive Annual Reports in physical form free of cost by post by making request for the same.

Thanking you,

For Maximaa Systems Limited

NagrajMogaveera

Company Secretary & Compliance Officer

MAXIMAA SYSTEMS LIMITED

CIN : L27100GJ1990PLC014129

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

ATTENDANCE SLIP**28th Annual General Meeting on 29th September, 2018****[Please fill the Attendance Slip and hand over at the Entrance of the Meeting Hall]**

Name and address of shareholder(s)	
Regd. Folio No. / DP ID & Client ID	
Joint Holder 1	
Joint Holder 2	
No. of share(s) held	

I/We hereby record my/our presence at the **28thAnnual General Meeting** of the **MAXIMAA SYSTEMS LIMITED** to be held on **Saturday, 29th September, 2018**, at **10:30 a.m.** at the Registered Office of the Company at B-1, Yash Kamal, Tithal Road, Valsad - 396 001, Gujarat, India.

(Signature of Member/Proxy/Representative)

Note:

1. Please fill and sign this Attendance slip and hand it over at the Attendance Verification Counter at the Entrance of the Meeting Hall.
2. Please read the instructions given for E-Voting in the Notice of AGM. E-Voting period starts from **Wednesday, 26th September, 2018(09.00 a.m.) and end on Friday, 28th September, 2018 (5.00 p.m.)**.
3. The E-Voting Module shall be disabled by NSDL for E-Voting thereafter.

MAXIMAA SYSTEMS LIMITED
L27100GJ1990PLC014129
Regd. Office: B-1, Yashkamal, Tithal Road, Valsad – 396001, Gujarat (INDIA)
Email: cs@maximaasystems.com, Tel: 022-62438100 / 8124
PROXY FORM–Form 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, Yash Kamal, Tithal Road, Valsad – 396001, Gujarat.

Name of the Member (s) / Joint Holder (s)	
Registered Address	
Email Id	
Folio No / DP Id & 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 **28th Annual General Meeting** of the Company, to be held on **Saturday, 29th September, 2018 at 10.30 A.M.** at B-1, Yash Kamal, Tithal Road, Valsad 396001, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Resolutions	Favour	Against
Ordinary Business:		
1. Adoption of financial statements (Standalone & Consolidated) for the year ended 31st March 2018 , and the Directors' and Auditors' Reports thereon.		
2. Re-appointment of Mr. Mayur Shah (holding DIN 00016358), who is liable to retires by rotation.		
Special Business:		
3. Appointment of Dr. Pratichi Mavani (DIN: 08045398) as a Non-Executive Independent Woman Director of the Company.		

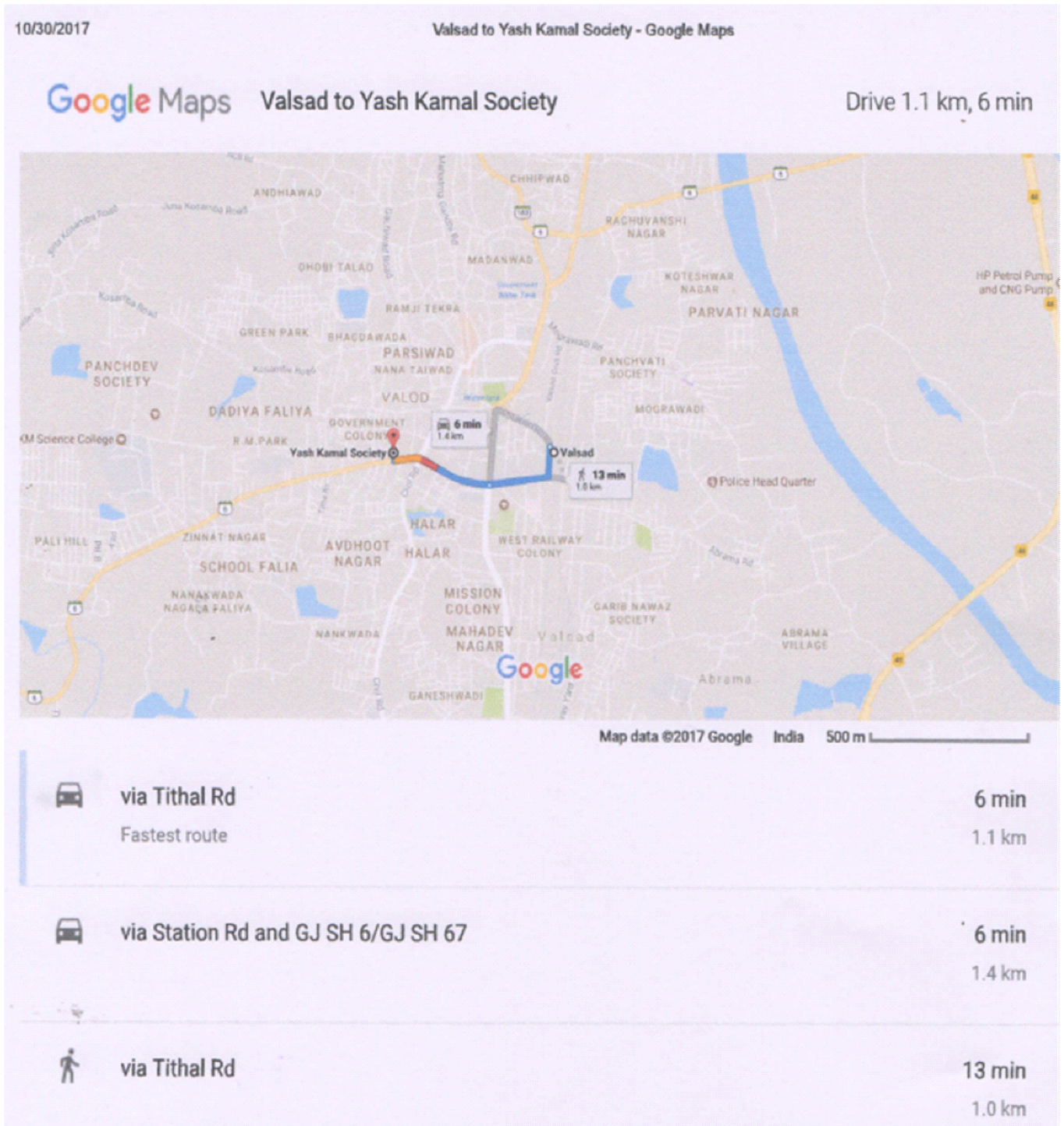
Signed this _____ day of _____ 2018.

Signature of Shareholder:

Signature of Proxy shareholder(s):

Affix
Revenue
Stamp

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.

ROUTE MAP OF AGM VENUE


PURVA SHAREGISTRY (I) PVT. LTD.

(SEBI Regn. INR000001112, Category 1 Registrars to IPO & Share Transfer Agents)

CIN No. U67120MH1993PTC074079

Office Address: 9 Shiv Shakti Industrial Estate, J. R. Boricha Marg, Near LodhaExcelus, Lower Parel East, Mumbai - 400 011

Email: purvakyc18@gmail.com Website: www.purvashare.com Tel. No.: 23016761 / 8261

Ref. No. PURVA/PREMIERCAP/01/18-19

Register/Speed Post

Date: _____

To,
Dear Shareholders,
MAXIMAA SYSTEMS LIMITED
ISIN: INE161B01036

The Securities and Exchange Board of India vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated submission of Permanent Account Number (PAN) and bank account details of all securities holders holding securities in physical form. Further, SEBI has given a notification on June 8th, 2018 stating that **physical transfer of shares will be allowed until December 4th, 2018** vide Circular No. SEBI/LAD/NRO/GN/2018/24. Hence, kindly send your shares for transfer before December 4th, 2018 or demat your shares with your Depository Participant at any time after updating your KYC information with us. Kindly submit the following details and documents to the address mentioned below within 21 days of receipt of this communication. **As per our records, your folio needs to be updated with the PAN / Complete Bank details so that the investments held by you are in compliance with the aforementioned circular.**

I/We hereby, declare that the particulars given below are correct and complete and undertake to inform the Company of any subsequent change(s) in the above particulars.

Registered Folio No.:				
Mobile No.				
Email Id				
Name of the first/sole shareholder Address:				
IFSC Code				
Bank Name of First Holder				
Branch				
Bank Account Number				
Account Type (Please tick the option) (✓)	Saving	Current	Cash Credit	Others
MICR No.				
Name	PAN No.		Signature	
1				
2				
3				

Note:

1. Please fill in the information in CAPITAL LETTERS and ENGLISH ONLY.
2. Kindly enclose:-
 - a. Copy of Self attested Pan Cards of all the shareholder(s)
 - b. Copy of address proof of First Holder (Preferably Aadhar Card)
 - c. Copy of cancelled cheque of First Holder
 - d. In case of updation / change of signature, please provide the signature attested by bank manager with his name, employee codeno., address of the bank and bank seal

Purva Sharegistry (India) Pvt. Ltd.

(Unit – LIMITED - INE)

9, Shiv Shakti Industrial Estate,

J. R. Boricha Marg, Near LodhaExcelus,

Lower Parel East, Mumbai – 400 011, Maharashtra.

BOOK-POST

If undelivered please return to:
MAXIMAA SYSTEMS LIMITED
115, B WING, WESTERN EDGE – 2,
WESTERN EXPRESS HIGHWAY, BORIVALI (EAST),
MUMBAI – 400066, MAHARASHTRA (INDIA)
PH: 022-6243 8100 / 8122 / 8124 / 8125