

**MAXIMAA SYSTEMS LIMITED**

**22<sup>ND</sup> ANNUAL REPORT**

**F. Y. 2011-12**



**: CONTENT :**

<b>Chap. No.</b>	<b>Contents</b>	<b>Page No.</b>
Chapter 01	Corporate Information	1
Chapter 02	Notice	2
Chapter 03	Directors' Report	3
Chapter 04	Management Discussion and Analysis Report	7
Chapter 05	Report on Corporate Governance	14
Chapter 06	Certificate on Corporate Governance	26
Chapter 07	Auditors' Report	27
Chapter 08	Balance Sheet	33
Chapter 09	Profit and Loss Account	34
Chapter 10	Cash Flow Statement	35
Chapter 11	Notes of Accounts	36
Chapter 12	Significant Accounting Policies and Notes to Accounts	49

**CORPORATE INFORMATION**

**Board of Directors**

Mr. Manoj Shah, Managing Director  
Mr. Mayur Shah, Joint Managing Director  
Mr. Mahesh Shah, Joint Managing Director  
Dr. Damavarapu Radhakrishna Reddy, Independent Director  
Dr. Milan Desai, Independent Director  
Mr. Milan Chitalia, Independent Director

**Company Secretary**

Ms. Nirmla Agarwal (Company Secretary and Compliance Officer)

**Auditor**

D.D. Desai & Associates, Chartered Accountants

**Principals Bankers**

Bank of India

**Registrar and Share Transfer Agents**

Purva Sharegistry (India) Private Limited,  
Unit no. 9, Shiv Shakti Ind. Estt. J.R. Boricha Marg,  
Opp. Kasturba Hospital Lane, Lower Parel (E),  
Mumbai- 400 011

Ph: 022- 2301 0771/8261

Fax: 022- 2301 2517

**Registered Office**

Suraj Estate, Kailash Road, Valsad- Gujarat- 396 001 (INDIA)

Email: [cs@maximaasystems.com](mailto:cs@maximaasystems.com)

Website: [www.maximaasystems.com](http://www.maximaasystems.com)

**Head office**

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

Ph: 02632- 222 402/403

Fax: 02632- 222 302

**Corporate office**

240, Naman Plaza, S.V. Road, Kandivali (W), Mumbai- 400 067 (INDIA)

Ph: 022- 2864 8478, 6516 0300

Fax: 022- 6710 2400

**NOTICE**

**NOTICE** is hereby given that the 22<sup>nd</sup> Annual General Meeting of the Members of Maximaa Systems Limited will be held on Friday, the 28<sup>th</sup> day of September, 2012 at 9:00 A.M. at the registered office of the company, Suraj Estate, Kailash Road, Valsad-396 001 to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Profit & Loss Account for the year ended on that date together with the Report of Board of Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Mahesh Shah who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. D.R.K. Reddy, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

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

**"RESOLVED THAT** M/s. D.D. Desai & Associates, Chartered Accountants, the Statutory Auditors of the Company retiring at the conclusion of the Annual General Meeting, being eligible and offering themselves for re-appointment be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting of the Company and to fix their remuneration."

**BY ORDER OF THE BOARD OF DIRECTORS OF  
MAXIMAA SYSTEMS LIMITED**

**Nirmala Agarwal  
Company Secretary**

**Registered Office:**  
Suraj Estate,  
Kailash Road,  
Valsad-396 001

**Dated: 14.08.2012**



**DIRECTORS' REPORT TO THE MEMBERS OF MAXIMAA SYSTEMS LIMITED**

Dear Shareholders,

Your Directors have the pleasure in presenting the 22<sup>nd</sup> Annual Report and Audited Accounts of the Company for the year ended on March 31, 2012.

**FINANCIAL RESULTS:**

The summarized financial performance of the Company for the financial year ended March 31, 2012 as compared to previous year is as under:

<b>PARTICULARS</b>	<b>Year ended March 31, 2012</b>	<b>Year ended March 31, 2011</b>
Revenue	20,94,24,597	19,05,92,059
Profit/Loss Before Taxes (PBT) (Adjusted Profit)	(92,19,142)	4,888,622
Profit/Loss After Tax (PAT) (Adjusted Profit)	(94,68,716)	4,733,693
Profit/Loss Brought from Previous year	(74,48,118)	(121,81,811)
Profit/Loss carried to balance Sheet (after Adjustment)	(1,69,16,834)	(74,48,118)

**FINANCIAL HIGHLIGHTS:**

During the year under review, the Company recorded an increase in operating revenue by 9.88%, compared with the previous year.

Further the Income from sales of products was decreased from ₹ 11,57,00,590 to ₹ 8,42,14,111. The I.T. Division earned ₹ 1,59,35,822 (Previous year ₹ 1, 51, 44,016) as service charges.

**DIVIDEND :**

In view of brought forward losses the directors do not recommend any dividend for the year ended 31<sup>st</sup> March 2012.

**PREFERENTIAL ISSUE:**

During the year, your Company has issued and allotted 7, 50,000 Equity Shares to Dr. Milan Desai and 7,50,000 Equity Shares to M/s Tanushir Mercantile Private Limited on preferential basis.

The Company has got In-Principal Approval, Listing and Trading Approval from the Stock Exchange for the same shares.

**SUB DIVISION:**

During the year, pursuant to sub division of face value of equity shares from Rs. 10 to Rs. 2 each, the share capital of the company has been increased with the ratio of 1:5. The current share capital of your company is ₹ 10,04,72,510 divided into 5,02,36,255 equity shares of ₹ 2 each.

**CREDIT RATING:**

Your company is under credit rating procedure with CARE Rating.

**FIXED DEPOSITS:**

The Company has not accepted any deposit from public/shareholders in accordance with section 58A of the Companies Act, 1956 and, as such, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance Sheet.

**DIRECTORS:**

In accordance with Article of Association of the Company, Mr. Mahesh Shah and Dr. D.R.K. Reddy, retire by rotation at the ensuing Annual General Meeting and being eligible; offer themselves for re-appointment to the Board.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 2000, the Directors confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departure.
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the Profit of the Company for that year;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis.

**AUDITORS:**

M/s D.D. Desai & Associates, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.



The Company has received letter from M/s D.D. Desai & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits of section 224(1B) of the Companies Act, 1956, and that they are not disqualified for such appointment within the meaning of section 226 of the Companies Act, 1956.

**AUDITORS' REPORT:**

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

**CORPORATE GOVERNANCE:**

A Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement entered with the Stock Exchanges, forms part of the Annual Report.

Your Company has been in compliance with all the norms of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

**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.

**STATUTORY INFORMATION :**

**A. PARTICULARS OF EMPLOYEES:**

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the company do not have any employee drawing salary in excess of limits prescribed under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars Of Employees) Rules 1975 the particulars should be treated as NIL.

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

**a) Conservation of Energy**

- a) Energy conversation 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:** As per balance Sheet

**INDUSTRIAL RELATIONS:**

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

**ACKNOWLEDGMENTS:**

Your Directors would like to express their sincere appreciation of 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 successful performance during the year.

FOR AND ON BEHALF OF THE BOARD

**MANOJ SHAH**

**CHAIRMAN AND MANAGING DIRECTOR**

Place : VALSAD

Date : 14-08-2012



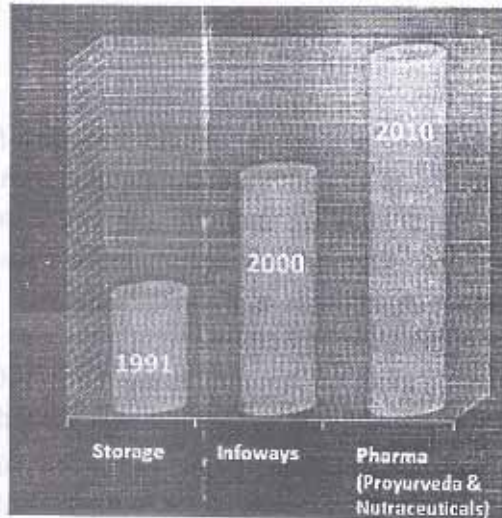
## MANAGEMENT'S DISCUSSION AND ANALYSIS

### SOCIO-ECONOMIC ENVIRONMENT

After staging a smart recovery in 2010, growth in global economic output slowed down considerably in 2011. The world economy is passing through a very difficult phase and is expected to grow by 3.5% in 2012. Despite a better than expected recovery shaping in the US, the key reasons for the passive growth forecast of 1.4% in the Advanced Economies remain the sovereign debt crisis in the euro zone, focus on fiscal consolidation and continued bank deleveraging. Growth in the developing world is forecast to slow down further to 5.7% with the key economies of China, India, Brazil and Russia – all expected to record lower rates of growth. As stated above, the Indian economy decelerated considerably during the year, growing below 7% in 2011/12 as compared to 8.4% in 2010/11.

### Industry Structure

Your company has been divided into four divisions, for the smooth operations of the company;



### DEVELOPMENTS

#### 1. Maximaa Storage Systems:

Your Storage System includes various types of Storage systems, Stainless Steel, Furniture for Pharma Industry, Pallets etc.

#### Developments during the year in Storage System:

During the year your company has introduced Motorized Racking Systems, Gravity Flow Racking Systems and MS Tubular Pallets and your company is also planning to introduce some more products.

#### Market study on steel:

India has indeed emerged in the global steel scenario. It has climbed to fourth spot for crude steel production in 2011 from 8th in a span of few years and is now moving to take second spot in net few years, second only to China.

Indian growth story, although driven by inherent demand potential and sustained economic growth, has many other facets also, which are typical, as in any other part of the globe.

## 2. Maximaa Infoways

It includes Software Development and Business Process Outsourcing (BPO).

### Developments during the year in Infoways:

During the year your company:

1. Has entered into mobile technologies for iPhone, iPad, Android and Blackberry and successfully completed the first application on iPhone and Android;
2. Has increased the resources by 50% in the last year by introducing new advance technologies. Now team size of your company is 50+.
3. Has successfully shortlisted as a Technology Partner for one or more of the largest publication house from S.A. and the MOU for the same has also been executed between them.

## 3. Maximaa Proyurveda

In the year 2010-11, your Company has taken over the business from USA originated company based in Hyderabad in to manufacturing of Proyurveda formulation medicines, and Nutraceutical (Food Supplements) products includes Natural bio available calcium (Extracted from Milk), Whey Proteins and Soya Proteins along with the Patent right for the USA, India, china and for Europe (Awaiting).It is very unique and cutting edge technological field of Pharmaceuticals.

Probiotic is a buzz word among medical fraternity today. Over 100 years back a Russian scientist had initiated the research of Probiotics and over a period it was proved that Probiotic is essential for human being which was very well neglected by modern medical therapy. Ayurveda is over 5000 year old science and has wonderful effects on any sort of disease for human body without any side effects.

Dr. M.S. Reddy a renowned scientist from Denver, U.S.A. had further worked in this area and had successfully blended Probiotic with Ayurveda and was awarded by numerous Patents in U.S.A., India and China.

Our foresighted CMD has picked up this excellent opportunity for the company and has successfully taken over the entire Ayurvedic formulation along with Probiotics including the patent rights to market and manufacture 120 formulations worldwide.

Your company has successfully launched its Proyurveda and Nutraceutical range of product through Ethical marketing in Mumbai, Maharashtra, Rajasthan, Orissa, M.P., U.P. and A.P. regions. Your Company also planning to launch its OTC (Over the Counter) product range on all India bases and is also planning Export the formulation to foreign countries based in regions like North American, Europe & Asia.



### **Marketing Strategy – Domestic Market**

#### **Proyurveda and Nutraceutical Products: Ethical Market**

Currently your company has 102 Head Quarters spread across the 8 states in India for Proyurveda & Nutraceuticals Products.

#### **Road ahead:**

- Your company has plan to lunch products in Karnataka, Chhattisgarh, Goa, Haryana, Punjab, Bihar, Jharkhand, West Bengal and many more in coming years.
- Your company will be starting OTC market in PAN India
- Your company will start exports in different countries
- Soon our products will be available online for customers in India & Globally.

### **Marketing Strategy - Export Market**

#### **Proyurveda and Nutraceuticals Products: Export Market**

- Your company Primarily focused on Semi Regulated Market
- More focused on the profit oriented market such as European countries where currency exchange rate is very high.
- Direct sales to bigger organization like Hospitals and Distributor networks.
- Concentrated on finished products as well as semi-finished products.
- In year 2013, will start export of Proyurveda and Nutraceuticals products in 29 countries and in coming years will start with another 16 countries.

#### **Science behind Probiotics:**

Probiotics are live bacteria given to treat and prevent diseases. It is one of those overlap areas for scientific medicine and so called alternative medicine. There are good clinical trials to suggest areas where these agents are of benefit, but other aspects of their use are blown out of proportion for the real or imagined benefit probiotics may provide. Much of alternative medicine where it overlaps with real medicine is the art of making therapeutic mountains out of clinical molehills.

#### **Scientifically proven beneficial effects of Probiotics:**

- Probiotics reduce the incidence of cancer, through reduction of mutagenesis.
- Probiotics decrease the cholesterol in the body through imbibitions, utilization, and through hydrolysis of bile salts.
- Probiotics improve the absorption of calcium in the G.I.tract, and also contributes to the reduction of hypertension and Osteoporosis.
- Probiotics decrease the Lactose malabsorption and intestinal discomfort and thus improve digestion.
- Probiotics improve the intestinal peristalsis and thus reduce the intestinal diverticosis, constipation etc.
- Probiotics improve the digestion of food in the G.I.tract and reduce allergies.



- Probiotics reduce the re-infection.
- Probiotics increase longevity. It has been reported that Russians who routinely consumed Probiotics lived up to 140 years.

**MARKET Study: Ayurveda**

As per Marker Research, It is estimated that the total market size of the Indian Ayurveda market is Rs 8000 crores and it is growing substantially between 10-15 percent, and total global Ayurvedic market size is 62.0 billion dollars with a growth rate of 7%. European Union is the biggest market with the share 40% of total herbal market. North America accounts for 10%, Japan 20%, ASEAN countries 30%. The forecast is that the global market for herbal products is expected to be \$5 Trillion by 2050.



**4. Maximaa Nutraceuticals:**

- Maximaa Nutraceuticals is the division of Maximaa Systems Ltd. which includes Nutritional Supplements.
- 'Concept Establisher' for biotechnology of Probiotics products.
- Nutraceuticals is a food or food product that reportedly provides health and medical benefits, including the prevention and treatment of disease.
- We are the only in the market who has Natural Dairy Milk Calcium based medicine named by 'Dairycal Plus' which helps in menopausal osteoporosis.
- Natural Dairy Milk Calcium, derived from pure Cow milk provides 100% bio-available Calcium along with Probiotics without any Gastro-intestinal side effects.
- It provides the required ratio of Calcium and Phosphorus (2:1) similar to human bone. The product is added with Vitamin D3.
- Added a unique and key ingredient 'Soya Isoflavones'.
- Nutraceuticals include Protein supplements prepared from Soya which provides your body the 20 essential amino acids. Also, the protein granules are lecithin coated which helps the cells from oxidation.

**MARKET Study : Nutraceutical**

The Nutraceutical Industry (Health care) in India is showing great progress. There has been considerable increase in spending on health care backed by growing purchasing power of Individuals.

**SEGMENT WISE OR PRODUCT WISE PERFORMANCE:**

This is mentioned as asegment to the Balance Sheet.

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

Your Company is improving its performance year by year and looking to the developments in near future, there will be a turnaround.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company has implemented various software for better control of day to day operations.

### **RISK & CONCERNS**

As a diversified business, your Company has always had a system-based approach to business riskmanagement. Backed by strong internal control systems,the current risk management framework consists of the following elements:

- The Corporate Governance Policy clearly lays down the roles and responsibilities of the various entities in relation to risk management. A range of responsibilities, from the strategic to the operational, is specified in the Governance Policy.
- These role definitions, inter-alia, are aimed at ensuring formulation of appropriate risk management policies and procedures, their effective implementation and independent monitoring and reporting by Internal Audit.
- The Corporate Risk Management Cell works with the businesses to establish and monitor the specific profiles including both strategic risks and operational risks. The process includes the prioritization of risks, selection of appropriate mitigation strategies and periodic reviews of the progress on the management of risks.
- A combination of centrally issued policies and divisionally-evolved procedures brings robustness to the process of ensuring business risks are effectively addressed.
- Appropriate structures have been put in place to proactively monitor and manage the inherent risks in businesses with unique / relatively high risk profiles.
- A strong and independent Internal Audit function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk management processes may need to be improved. The Audit Committee of the Board reviews Internal Audit findings, and provides strategic guidance on internal controls. The Audit Compliance and Review Committee closely monitor the internal control environment within your Company and ensure that Internal Audit recommendations are effectively implemented.
- At the business level, Divisional Auditors continuously verify compliance with laid down. Policies and procedures, and help plug control gaps by assisting operating management in the formulation of control procedures for new areas of operations.



- A robust and comprehensive framework of strategic planning and performance management ensures realization of business objectives based on effective strategy implementation. The annual planning exercise requires all businesses to clearly identify their top risks and set out a mitigation plan with agreed timelines and accountability. Businesses are required to confirm periodically that all relevant risks have been identified, assessed, evaluated and that appropriate mitigation systems have been implemented. The combination of policies and processes as outlined above adequately addresses the various risks associated with your Company's businesses. The senior management of your Company periodically reviews the risk management framework to maintain its contemporariness so as to effectively address the emerging challenges in a dynamic business environment.

RISK & COMPLIANCE

## AUDIT AND SYSTEMS

Your Company believes that internal control is a necessary concomitant of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets. Well established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment across your Company and the status of compliance with operating systems, internal policies and regulatory requirements. In the networked IT environment of your Company, validation of IT security continues to receive focused attention of the internal audit team which includes IT specialists. The Internal Audit function consisting of professionally qualified accountants, engineers and IT specialists reviews the quality of planning and execution of all ongoing projects involving significant expenditure to ensure that project management controls are adequate to yield 'value for money'.

## OPPORTUNITIES AND THREATS:

The recent diversification in to the Pharma activity which is time tested and protected through Patents in USA, India, China etc. has ample potential due to latest technology of Probiotic. This Business provides ample opportunities to grow in domestic as well as International market.

Management does not perceive any threat to its business or financial condition. Of course, every business has risk and we are not exceptional.

## HUMAN RESOURCE DEVELOPMENT

Your Company's human resource management systems and processes are designed to enhance employee engagement, organizational capability and vitality so as to ensure that each of the businesses is world class is positioned for competitive superiority and capable of achieving your Company's ambitious plans for growth. A key component of your Company's human resource strategy is the unique strategy of organization that ensures that each business is enabled to focus on its own product market while at the same time, leverages the synergies of a multi-business conglomerate.

This unique strategy of organization also focuses on developing and nurturing distributed leadership and ensures that each of your Company's businesses is managed by a team of competent, passionate and inspiring leaders, capable of building a future-ready organization through continuous learning, innovation and world class execution.





## REPORT ON CORPORATE GOVERNANCE

(As required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem 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 social responsibilities. The Company's focus on Corporate Governance is reflected in following:

- Composition, size and functioning of and disclosures to the Board of Directors and various Committees of the Board.
- Board's commitment to discharge duties and responsibilities entrusted upon them by the Statute and to live upto the expectations of stakeholders of the Company and public at large.
- Strong value systems and ethical business conduct.
- Sound internal control.
- Transparency, accountability and ethics in all its operations.
- Putting in place the Code of Conduct for all the members of Board and team of senior management personnels.
- Efforts for prompt redressal of investors' grievances.
- Appropriate delegation of authority responsibility, monitoring of performance and collective decision making involving senior management team in all key decisions.
- Automated seamless integrated work flow to ensure consistency and timely flow of information.

### 2. BOARD OF DIRECTORS:

According to Clause 49 of the Listing Agreement, if the Chairman is Executive, at least half of the Board should consist of independent Directors. As on 31.03.2012 your Board consists of 6 Directors, out of which 3 Directors are independent, constituting 50% of total size of Board.

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.



**3. COMPOSITION OF BOARD OF DIRECTORS AND PARTICULARS THEREOF:**

Sl. No.	Name	Position	No. of Board Meeting attended during the year	Whether attended last AGM	Relationship with other Directors	Share-holding in the Company in Number & Percentage
1	Mr. Manoj Shah	Managing Director	6	Yes	Brother of Mr. Mayur Shah and Mr. Mahesh Shah	5410010 (10.77%)
2	Mr. Mayur Shah	Joint Managing Director	6	Yes	Brother of Mr. Manoj Shah and Mr. Mahesh Shah	4633205 (9.22%)
3	Mr. Mahesh Shah	Joint Managing Director	6	Yes	Brother of Mr. Manoj Shah and Mr. Mayur Shah	4801345 (9.56%)
4	Dr. D.R.K. Reddy w.e.f.07.03.2011	Independent Director	NA	NA	None	-
5	Dr. Milan Desai w.e.f.07.03.2011	Independent Director	NA	NA	None	7,50,000 (1.49%)
6	Mr. Milan Chitalia w.e.f.07.03.2011	Independent Director	NA	NA	None	-

**Note:** Relationship with other Directors means 'Relative' of other Directors as defined u/s 2(41) and Section 6 of the Companies Act, 1956, read with Schedule 1A of the Act.

Mr. Mahesh Shah and Dr. D.R.K. Reddy are directors liable to retire by rotation and being eligible offer themselves for reappointment.

Position	Name of Director
Managing Director	Mr. Manoj Shah
Joint Managing Director	Mr. Mayur Shah Mr. Mahesh Shah
Independent Director	Dr. D.R.K. Reddy Dr. Milan Desai Mr. Milan Chitalia



**4. OUTSIDE DIRECTORSHIPS AND MEMBERSHIP OF BOARD COMMITTEES:**

Sl. No.	Name	Number and Name of Directorships in other Public Companies.	No. of Committee position held in other Companies	
			Chairman	Member
1	Mr. Manoj Shah	Anukaran Commercial Enterprises Limited	Nil	Nil
2	Mr. Mayur Shah	Nil	Nil	Nil
3	Mr. Mahesh Shah	Nil	Nil	Nil
4	Dr. D.R.K. Reddy	Nil	Nil	Nil
5	Dr. Milan Desai	Nil	Nil	Nil
6	Mr. Milan Chitalia	Anukaran Commercial Enterprises Limited	2	Nil

**Notes**

- 1) Directorship held by Directors in other companies does not include alternate directorships, directorships in foreign companies, Section 25 and private limited companies.
- 2) In accordance with Clause 49, Chairmanships/Memberships only in Audit Committee & Shareholders Grievance Committee of public limited companies have been considered for committee positions.
- 3) None of the directors is a member in more than 10 committees and is not a Chairman in more than 5 committees across the Companies in which he is a director.

**5. BOARD MEETINGS:**

There were TEN Board meetings held during the financial year 2011-2012 on 14.05.2011, 18.05.2011, 24.06.2011, 12.08.2011, 05.09.2011, 12.09.2011, 24.10.2011, 05.11.2011, 14.11.2011 and 14.02.2012. The gap between any two Board Meetings did not exceed four months.

Leave of absence was granted to the non-attending directors.

**6. BOARD COMMITTEES:**

In terms of Clause 49 of the Listing Agreement, the Board has constituted three committees i.e. Audit Committee, Shareholders/Investors Grievance Committee and Remuneration Committee.

**(A) AUDIT COMMITTEE:**

- (i) In compliance with Clause 49 of the Listing Agreement and as per the requirements of Section 292A of the Companies Act, 1956, an Audit Committee has been re-constituted on 14.08.2012. The Audit Committee consists of three non-executive directors.

Name of Committee Members	Position
Mr. Mayur Shah	Joint Managing Director
Dr. D.R.K. Reddy	Independent Director
Dr. Milan Desai	Independent Director
Mr. Milan Chitalia	Independent Director

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30<sup>th</sup> September, 2011

The primary objective of the Audit Committee is to monitor and supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and financial reporting.

**(ii) Terms of Reference**

The Audit Committee while exercising its functions has powers including but not limited to following:

- To investigate any matter referred to Committee or specified in section 292A of The Companies Act 1956.
- To review unaudited financial results and report of internal auditors and statutory auditors.
- To report on any matter relating to financial management.

The information as prescribed under Clause 49 (II) (e) of the Listing Agreement has been reviewed from time to time.

**(B) REMUNERATION COMMITTEE:**

In compliance with Clause 49 of The Listing Agreement, read with Schedule XIII of the Companies Act, 1956, the Remuneration Committee of the Board has been constituted. The Remuneration Committee consists of following directors:

Name of Committee Members	Position
Dr. D.R.K. Reddy	Independent Director
Dr. Milan Desai	Independent Director
Mr. Milan Chitalia	Independent Director

**Remuneration of Directors:**

i) **Non-Executive Directors Compensation & Disclosures:**

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

ii) **Executive Directors:-salary revised**

Managerial Remuneration of all the Executive Directors during the financial year 2011-12 was paid as per their revised terms as approved by the Board. The remuneration paid to each director is as follows:-

Name of Directors	Salary(In ₹)	Value of Perquisites (In ₹)	Total (In ₹)
Mr. Manoj Shah	50000	19165	69165
Mr. Mayur Shah	50000	19165	69165
Mr. Mahesh Shah	50000	19165	69165



**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.

**(C) SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:**

In compliance with Clause 49 of the Listing Agreement, the Shareholders/Investors Grievance Committee has been re-constituted by the Board on 14.08.2012 for a speedy disposal of grievances / complaints relating to shareholders/investors.

**Composition of Committee:**

Name of Committee Members	Position
Dr. Milan Desai	Independent Director
Mr. Milan Chitalia	Independent Director
Mr. Manoj Shah	Managing Director

The committee specifically looks into the redressal of shareholder and investor complaints on matters relating to transfer of shares, dematerialization/ rematerialisation, Split of shares, consolidation of share certificates, issue of duplicate share certificates, non-receipt of annual report, non-receipt of declared dividends etc. in addition, the committee advises on matters which can facilitate better investor services and relations. As per the Certificate issued by our Registrar and Share Transfer Agents (RTA), Purvasharegistry (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 no one was pending as at March 31,2012.

**7. GENERAL BODY MEETINGS**

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

Year	Day, Date and Time	Venue
2010-2011	Friday, 30 <sup>th</sup> day of September, 2011 at 9:00 A.M.	At Registered Office of the Company at Suraj Estate, Kailash Road, Valsad-396 001
2009-2010	Wednesday, 15 <sup>th</sup> day of September, 2010 at 11:00 A.M.	At Registered Office of the Company at Suraj Estate, Kailash Road, Valsad-396 001
2008-2009	Thursday, 9 <sup>th</sup> day of July, 2009 at 11:00 A.M.	At Registered Office of the Company at Suraj Estate, Kailash Road, Valsad-396 001



At the 21<sup>st</sup> Annual General Meeting held on 30<sup>th</sup> day of September, 2011, three special resolutions were passed.

At the 20<sup>th</sup> Annual General Meeting held on 15<sup>th</sup> day of September, 2010, no special resolution was passed.

At the 19<sup>th</sup> Annual General Meeting held on 9<sup>th</sup> day of July, 2009, no special resolution was passed.

During the year under review, there was no special resolution passed last year through postal ballot.

No special resolution on the matters requiring postal ballot is proposed to be placed at the forthcoming Annual General Meeting for shareholders' approval.

## **8. DISCLOSURES:**

### **i) 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 Note No. 28 forming part of Annual Report.

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

### **ii) 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 and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

### **iii) 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.

## **9. MEANS OF COMMUNICATION:**

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

During the year the Company displayed official news releases.  
 During the year the company made the presentations to institutional investors and to the analysts.

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

**10. 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.

**11. GENERAL SHAREHOLDERS INFORMATION:**

**(i) Annual General Meeting**

Date: Friday, 28<sup>th</sup> September, 2012  
 Time: 9:00 A.M.  
 Venue: Suraj Estate, Kailash Road, Valsad-396 001

**(ii) Financial Calendar (tentative):**

Financial year: 1<sup>st</sup> April to 31<sup>st</sup> March

**For the year ended March 31<sup>st</sup>, 2012 interim, results will be announced as follows:**

First Quarter	-	On or before 15 <sup>th</sup> August, 2012
Second Quarter	-	On or before 15 <sup>th</sup> November, 2012
Third Quarter	-	On or before 15 <sup>th</sup> February, 2013
Fourth Quarter	-	On or before 30 <sup>th</sup> May, 2013

**(iii) Book Closure:**

The book closure period is from 20<sup>th</sup> September, 2012 to 28<sup>th</sup> September, 2012, inclusive of both days.

**(iv) Dividend:**

The Company has not declared the dividend during the year.

**(v) Listing on Stock Exchanges:**

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

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



- b) Annual listing fees for the year 2011-2012 have been paid.

The ISIN Number (or demat number) of Maximaa Systems Limited on both NSDL and CDSL is INE161B01036 .The Company has also paid the annual custody fee for the financial year 2011-2012 to both the depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

During the year under review, the ISIN of the Equity Shares of the Company has been changed from INE161B01028 to INE161B01036 consequent upon sub division of face value of equity shares from Rs. 10 to Rs. 2 each.

**(vi) 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, 2012.

**Monthly share price data and volumes, BSE**

Month	High ( ₹)	Low ( ₹)	Volume (No. of Shares)
April, 2011	13.78	9.03	59127
May, 2011	15.43	10.5	73590
June, 2011	20.05	13.4	118516
July, 2011	31	16.75	250766
August, 2011	30	19.05	110942
September, 2011	28.8	20.85	81309
October, 2011	23.4	19.1	34923
November, 2011	25.5	4.95	398920
December,2011*	7.5	5.93	1241474
January,2012	10.38	6.51	6654409
February,2012	16.45	8.71	9374861
March,2012	14.94	11.52	2692472

Source: BSE Website.

\* Pursuant to sub division of face value of equity shares from Rs. 10 to Rs. 2 each, 8<sup>th</sup> November, 2011 was fixed as record date to affect the same.

**(vii) Share price Performance in comparison to broad-based indices such as BSE Sensex**

MSL's share price performance relative to BSE Sensex:

Financial Year	MSL (at BSE)	SENSEX
2011-2012	16.25 (average 12 months)	17453.89 (average 12 months)

Note: 1. Closing share prices are considered

**(viii) 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., **Purvasharegistry (India) Private Limited**, whose address is given below:

**Purvasharegistry (India) Private Limited**

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

**Contact Person:**

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

Mr. Manoj Shah, Director and the Company Secretary are severally empowered to approve transfer. The Company obtains from a practicing Company Secretary half yearly certificate of compliance as required under clause 47(c) of the Listing Agreement and files the same with Stock Exchanges.

**(ix) 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.

**(x) Shareholding Pattern:**

Table give below shows the shareholding pattern of Maximaa Systems Limited as on March 31, 2012.

**a) Distribution of Shareholding by size, as on March 31, 2012**

Category		Number of shareholders	% of Total	No. of Shares ( In ₹)	% of Total
From	To				
1	5000	6465	89.53	7196464	7.16
5001	10000	367	5.08	2724200	2.71
10001	20000	187	2.59	2830170	2.82
20001	30000	51	0.71	1278148	1.27
30001	40000	26	0.36	923060	0.92
40001	50000	24	0.33	1118066	1.11
50001	100000	36	0.50	2618686	2.61
100001	Above	65	0.90	81783716	81.40
		<b>7221</b>	<b>100.00</b>	<b>100472510</b>	<b>100.00</b>



b) **Categories of Shareholding as on March 31, 2012 :**

S/No.	Category	Shares held (No.)	% of holding
1	Promoters and Promoters Group	17934310	35.70
2	Mutual Funds & UTI	-	-
3	Banks, Financial Institutions, Insurance Companies, Central/ State Gov. Institutions/ Non-governmental Institutions, Venture Capital	-	-
4	Foreign Institutional Investors (FIIs)	-	-
5	Private Corporate Bodies	10125178	20.16
6	Indian Public	17666780	35.17
7	NRIs/OCBs	4323840	8.61
8	Clearing Members	186147	0.37
	<b>TOTAL</b>	<b>50236255</b>	<b>100.00</b>

c) **Dematerialization of shares as on March 31, 2012 :**

Form	No. of Shares	% of Total
Held in dematerialized form in CDSL	16019621	31.89
Held in dematerialized form in NSDL	31540269	62.78
Physical form	2676365	5.33
<b>Total</b>	<b>50236255</b>	<b>100.00</b>

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:**

Not applicable for Maximaa Systems Limited.

e) **Plant Location:**

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

**Maximaa Systems Ltd., Storage System**  
Plot No. 804-808, New GIDC,  
Gundlav, Valsad (Gujarat).  
Ph: 02632 - 236 111,  
Fax: 02632 - 222 302

**Maximaa Systems Ltd., Information Technology**

Development Centre,  
B-17, Yashkamal,  
Tithal Road,  
Valsad- 396 001 (Gujarat)  
**Ph:** 02632 – 222 402/403  
**Fax:** 02632- 222 302

**Maximaa Systems Limited, Pharma**

7/23, Medipally Village,  
Before CPRI, Uppal-500 039  
R.R. District, AP (India)  
**Telefax:** 040-2720 6742

**f) Address for correspondence:**

(1) Investors and shareholders can correspond with the Company at the following address :-

**The Company Secretary, Nirmala Agarwal**  
240, Naman Plaza, S.V. Road  
Kandivali (W),  
Mumbai- 400 067  
**Ph:** 022- 2864 8478/2801 2704.  
**Fax:** 022- 6710 2400  
**E-mail:** cs@maximaasystems.com  
**Website:** www.maximaasystems.com

(2) The Registrar and Share Transfer Agents of the Company at –

**Purvasharegistry (India) Private Limited**  
Mr. Rajesh Shah/ V.B. Shah,  
Unit no 9, Shiv Shakti Ind Estt,  
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



CERTIFICATE

DECLARATION BY CHAIRMAN AND MANAGING DIRECTOR

I, **Manoj Shah**, Chairman and Managing Director of **MAXIMAA SYSTEMS LIMITED**, hereby confirm pursuant to clause 49(1)(D) of the Listing Agreement, that:

- The Board of Directors of **MAXIMAA SYSTEMS LIMITED** has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company. The said code of conduct has also been posted in the Investors Relation page in the corporate website of the Company [www.maximaasystems.com](http://www.maximaasystems.com)
- All the Board members and Senior Management Personnel have affirmed their compliance with the said code of conduct for the year ended March 31, 2012.

Place: **VALSAD**

Date: 14.08.2012

**Manoj Shah**

Chairman and Managing Director

FOR DAJAL & CO  
COMPANY REGISTRARS

KUNJAL DAJAL  
C/O. M/S. SRS

PLACE: SURAT  
DATE: 14.08.2012

## CERTIFICATE

**To The Members of  
MAXIMAA SYSTEMS LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by Maximaa Systems Limited as at 31<sup>st</sup> March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).
2. 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.
3. 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.
4. We state that based on the Report given by the Registrars of the Company to the Shareholders/ Investors Grievance Committee as on March 31, 2012, no investor grievances matters are pending/unattended exceeding one month.
5. 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.

**PLACE: SURAT  
DATE: 14.08.2012**

**FOR DALAL & CO.  
COMPANY SECRETARIES**

**KUNJAL DALAL  
C.P. NO. 3863**



## AUDITORS REPORT

TO,  
THE MEMBERS OF  
MAXIMAA SYSTEMS LIMITED

- 1 We have audited the attached Balance Sheet of MAXIMAA SYSTEMS LIMITED as at 31st March, 2012, the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3 As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government of India under sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
- 4 Further to our comments in the annexure referred to above, we report that :-
  - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - iii. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Accounts;
  - iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of the section 211 of the Companies Act, 1956;
  - v. On the basis of the written representation received from directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 and

vi. In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with the significant accounting policies and notes appearing thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance sheet, of the state of affairs of the Company as at 31st March, 2012
- (b) In the case of the Profit and Loss Account, of the loss for the year ended on that date, and
- (c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For D D Desai & Associates**  
**Chartered Accountants**

**D D Desai**  
**Proprietor**

**M. No. : 042031**  
**F. R. No. : 102297W**

**Place : Valsad**

**Date : 14<sup>th</sup> August 2012**



## ANNEXURE TO AUDITOR'S REPORT

On the basis of checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

(i) **FIXED ASSETS:**

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, the Fixed Assets have been physically verified by the management during the year in a phased manner, which in our opinion is reasonable having regard to the size of the Company and nature of its Assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed of any substantial / major part of Fixed Assets, and therefore going concern status of the Company is not affected.

(ii) **INVENTORIES:**

- (a) As explained to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. As explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records and the same have been properly dealt with in the books of account.

(iii) **LOANS:**

- (a) The Company has granted interest free advance to parties covered in the register maintained under Section 301 of the Companies Act 1956, as detailed in the Related Party Disclosure at Note No. - 28 of the Notes Forming Parts of Accounts.
- (b) 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 301 of the Companies Act are not prima facie prejudicial to the interest of the Company.
- (c) The parties are regular in repaying the advances, or they are either being adjusted or being repaid regularly.
- (d) In view of the above answer to clause "c", this clause is not applicable.

(e) The Company has not accepted any interest free loan from any party covered under register maintained under Section 301 of the Companies Act. In view of the same, clause iii(f) and iii(g) of the Order are not applicable to the Company.

(iv) INTERNAL CONTROL PROCEDURES:

In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with 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. During the course of our audit, no major weakness has been noticed in the internal controls.

(v) TRANSACTION WITH RELATED PARTY:

Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangement with related party that need to be entered into the Register maintained under Section 301 have been so entered

In our opinion and according to the information and explanations given to us, the transactions made in pursuance to such contracts or arrangements and exceeding the value of five lakh rupees have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at relevant times.

(vi) PUBLIC DEPOSITS:

The Company has not accepted any deposits from the public.

(vii) INTERNAL AUDIT

As per information and explanation given to us, in our opinion the Company has an Internal Audit System commensurate with size and nature of business of the Company.

(viii) COST RECORDS:

The Company has not maintained any cost records prescribed by the Central Government pursuant to the rules made by the Central Government under section 209(1)(d) of the Companies Act 1956, in respect of the products of the Company.

(ix) STATUTORY DUES:

(a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance Contribution, Income Tax, Wealth Tax, Customs Duty, Excise Duty, Service Tax and other material statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us, the disputed arrears of statutory dues outstanding as at 31<sup>st</sup> March 2012 have been resolved and crystallised after the Balance Sheet date and have been duly provided for as detailed in Note No. – 16 to the Annual Accounts.

(x) ACCUMULATED LOSSES:

The Company has an accumulated loss of Rs.1,69,16,834/- (Previous Year Rs.74,48,118/-) at the end of the financial year under reference. However, the accumulated loss does not exceed 50% of the Net Worth of the Company. The Company has not incurred any cash loss either during the year under reference or in the previous year

(xi) REPAYMENT OF DUES OF FINANCIAL INSTITUTIONS:

Based on our audit procedures and the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution or bank.

(xii) LOANS & ADVANCES AGAINST SHARES, DEBENTURES AND OTHER SECURITIES:

Based on our examination of the records and according to the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) CHIT FUND COMPANY OR NIDHI/MUTUAL BENEFIT FUND/SOCIETY:

In our opinion, the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Therefore clause (xiii) of the Order is not applicable to the Company.

(xiv) MAINTENANCE OF RECORDS FOR DEALING / TRADING IN SHARES, SECURITIES, DEBENTURES & OTHER INVESTMENTS:

The Company is not dealing or trading in shares, securities, debenture or other investments. Hence Clause (xiv) of the Order is not applicable to the Company.

(xv) GUARANTEE:

According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.

(xvi) UTILIZATION OF TERM LOAN FUND:

The Company has not raised any new Term Loan during the year, the Term Loan outstanding at the beginning of the year were applied / utilized for the purpose for which they were raised.

**(xvii) MISMATCH BETWEEN SHORT TERM / LONG TERM FUNDS:**

According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized fund raised on short-term bases for investment on Long Term bases.

**(xviii) PREFERENTIAL ALLOTMENT OF SHARES:**

During the year the Company has allotted 1,50,000 Equity Shares of Rs.10/- each to Shri Milan Desai and 1,50,000 Equity Shares of Rs.10/- each to M/s Tanushir Mercantile Private Limited, both at a Premium of Rs.16/- per share on a preferential basis.

( During the Previous Year, at the Extra Ordinary General Meeting held on 7<sup>th</sup> March 2011, the Company has obtain approval of the members for Preferential Allotment of 8,50,500 shares of Rs.10/- each at a premium of Rs.5/- per share being consideration towards acquisition of License to use Patents of Maximaa Proyurveda at Rs.1,27,57,500/-. These shares have been allotted on 18<sup>th</sup> May 2011. In view of pending allotment of these shares as on 31<sup>st</sup> March 2011, the amount of Share Premium of Rs.5/- per share is transferred to Share Premium Account in Note – 2 of the Balance Sheet. The amount of Share Capital of Rs.10/- per share is shown under the head Equity Shares Allotment Account in Note - 2 of the Balance Sheet.)

**(xix) CREATION OF SECURITIES FOR ISSUE OF DEBENTURE:**

During the year under audit, the Company has not issued any debentures.

**(xx) END USE OF MONEY RAISED BY PUBLIC ISSUE:**

During the year under audit, the Company has not raised any money by public issues.

**(xxi) FRAUD ON OR BY THE COMPANY:**

As per the information and explanations given to us, no fraud on or by the Company has been noticed or reported during this year, which causes the financial statements to be materially misstated.

**For D D Desai & Associates**  
Chartered Accountants

**D D Desai**  
Proprietor  
M. No. : 042031  
F. R. No. : 102297W

Place : Valsad

Date : 14<sup>th</sup> August 2012



## BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No	As at 31st March, 2012	As at 31st March, 2011
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	100,472,510	88,967,510
(b) Reserves and Surplus	2	43,509,096	48,177,812
<b>(2) Equity Share Allotment Account</b>		-	8,505,000
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	17,582,169	5,311,077
(b) Long-Term Provisions	4	2,942,613	4,839,149
(c) Long Term Liabilities	5	1,965,000	2,285,000
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	6	60,231,852	29,580,710
(b) Trade Payables		57,242,340	85,097,878
(c) Other Current Liabilities	7	12,958,949	6,260,753
(d) Short-Term Provisions	8	3,389,366	2,046,296
<b>Total</b>		<b>300,293,895</b>	<b>281,071,185</b>
<b>II Assets</b>			
<b>(1) Non-Current Assets</b>			
(a) <i>Fixed assets</i>	9		
(i) Tangible Assets		56,158,117	29,884,880
(ii) Intangible Assets		44,619,005	57,982,165
(iii) Capital Work-in-Progress		-	17,650,000
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long Term Loans and Advances	10	19,500,834	11,416,618
(e) Other Non-Current Assets	11	900,000	900,000
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories	12	62,997,666	43,928,783
(c) Trade Receivables	13	83,442,296	105,074,625
(d) Cash and Cash Equivalents	14	16,047,597	1,113,323
(e) Short-Term Loans and Advances	15	16,628,380	13,120,791
(f) Other Current Assets		-	-
<b>Total</b>		<b>300,293,895</b>	<b>281,071,185</b>

As per our Attached Report of Even Date  
For D.D.DESAI & ASSOCIATES  
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

D.D.DESAI  
Proprietor  
Membership No.: 042031  
F.R.No. 102297W

MANOJ SHAH  
MANAGING DIRECTOR

MAYUR SHAH  
JOINT MANAGING DIRECTOR

MAHESH SHAH  
JOINT MANAGING DIRECTOR

NIRMALA AGARWAL  
COMPANY SECRETARY

Place : Valsad  
Date : 14.08.2012

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2012**

Particulars	Note No	Year Ended 31st March, 2012	Year Ended 31st March, 2011
I Revenue from Operations	17	206,794,473	189,917,845
II Other Income	18	2,630,124	674,214
<b>III Total Revenue (I +II)</b>		<b><u>209,424,597</u></b>	<b><u>190,592,059</u></b>
IV <u>Expenses:</u>			
Cost of Materials Consumed	19	54,159,971	85,591,839
Purchase of Stock-in-Trade		98,178,611	56,282,009
Manufacturing & Operating Cost	20	16,741,503	10,668,167
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	(15,481,997)	(10,057,074)
Employee Benefit Expenses	22	28,255,677	15,838,834
Financial Costs	23	9,190,265	4,984,278
Depreciation and Amortization Expenses		16,199,484	14,335,692
Other Expenses	24	11,400,225	8,059,692
<b>Total Expenses</b>		<b><u>218,643,739</u></b>	<b><u>185,703,437</u></b>
V. <b>Profit before exceptional and extraordinary items and tax (III - IV)</b>		(9,219,142)	4,888,622
VI. Exceptional Items		-	-
VII. <b>Profit before extraordinary items and tax (V - VI)</b>		(9,219,142)	4,888,622
VIII. Extraordinary Items		-	-
<b>IX Profit before tax (VII - VIII)</b>		<b><u>(9,219,142)</u></b>	<b><u>4,888,622</u></b>
X. <u>Tax Expense :-</u>			
Income Tax for Current Year		-	1,010,000
Income Tax for Earlier Year		249,574	14,440
Deferred Tax		-	30,489
Less: MAT Credit Entitlement		-	(900,000)
		249,574	154,929
<b>XI Profit/(Loss) for the period (IX + X)</b>		<b><u>(9,468,716)</u></b>	<b><u>4,733,693</u></b>
XII. <b>Earning per equity share:</b>			
<b>Basic &amp; Diluted</b>		<b>(0.19)</b>	<b>0.53</b>

As per our Attached Report of Even Date  
For D.D.DESAI & ASSOCIATES  
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

D.D.DESAI  
Proprietor  
Membership No.: 042031  
F.R.No. 102297W

MANOJ SHAH  
MANAGING DIRECTOR

MAYUR SHAH  
JOINT MANAGING DIRECTOR

MAHESH SHAH  
JOINT MANAGING DIRECTOR

NIRMALA AGARWAL  
COMPANY SECRETARY

Place : Valsad  
Date : 14.08.2012



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

Particulars	As at 31st March, 2012 (Rs.)	As at 31st March, 2011 (Rs.)
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	(9,219,142)	4,888,622
Depreciation	16,199,484	14,335,692
Interest & Expenses on Borrowings	9,190,265	4,984,278
Interest Income	(137,672)	(36,387)
Sundry Balances Written Off	375,890	
Provision for Gratuity No Longer Required	(1,843,536)	
	<u>23,784,431</u>	<u>19,283,583</u>
	<u>14,565,289</u>	<u>24,172,205</u>
Trade Receivables & Other Assets	11,258,595	15,116,759
Inventories	(19,068,883)	(8,712,507)
Trade Payables & Other Liabilities	(22,030,808)	(8,363,008)
	<u>(29,841,096)</u>	<u>(1,958,756)</u>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES ... A</b>	<u><u>(15,275,807)</u></u>	<u><u>22,213,449</u></u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
	(11,459,560)	(2,347,639)
	137,672	36,387
	-	(17,650,000)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES ... B</b>	<u><u>(11,321,888)</u></u>	<u><u>(19,961,252)</u></u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
	7,800,000	-
	42,922,234	(5,554,883)
	(9,190,265)	(4,984,278)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES .....C</b>	<u><u>41,531,969</u></u>	<u><u>(10,539,161)</u></u>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS(A+B+C)</b>	<u>14,934,274</u>	<u>(8,286,964)</u>
<b>CASH AND CASH EQUIVALENTS AS AT 1ST APRIL 2011 (OPENING BALANCE)</b>	<u>1,113,323</u>	<u>9,400,287</u>
<b>CASH AND CASH EQUIVALENTS AS AT 31ST MARCH 2012 (CLOSING BALANCE)</b>	<u>16,047,597</u>	<u>1,113,323</u>

**Note :-**

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

As per our Attached Report of Even Date  
For D.D.DESAI & ASSOCIATES  
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

D.D.DESAI  
Proprietor  
Membership No.: 042031  
F.R.No. 102297W

MANOJ SHAH  
MANAGING DIRECTOR

MAYUR SHAH  
JOINT MANAGING DIRECTOR

MAHESH SHAH  
JOINT MANAGING DIRECTOR

NIRMALA AGARWAL  
COMPANY SECRETARY

Place : Valsad  
Date : 14.08.2012

**SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012**

PARTICULARS		As at 31st March, 2012	As at 31st March, 2011		
<b>Note 1 <u>Share Capital</u></b>					
<b>a</b>	<b><u>Authorised Capital</u></b>				
	10,10,00,000 Equity Shares of Rs.2/-each (Previous year 2,02,00,000 Equity Shares Rs.10/- each)	<u>202,000,000</u>	<u>202,000,000</u>		
<b>b</b>	<b><u>Issued, Subscribed &amp; Paid-Up Capital</u></b>				
	5,02,36,255 Equity Shares of Rs.2/- each (Previous Year 88,96,751 Equity Shares of Rs.10/- each) fully paid up.	100,472,510	88,967,510		
	<b>Total</b>	<u>100,472,510</u>	<u>88,967,510</u>		
	<b><u>Issue of Shares otherwise than in cash during last five years</u></b>	<b>No. of Shares</b>	<b>No. of Shares</b>		
<b>1</b>	Equity Shares of Rs.10/- each were issued to the shareholders of Maximaa infoways Pvt. Ltd. and Mapara Furnitures Pvt. Ltd. In accordancw with the scheme of amalgamation.	56,953,470	56,953,470		
<b>2</b>	Equity Shares of Rs.10/- each were issued to the Adfac Laboratories Pvt. Ltd. to acquire business of Proyurvedic Formulations.	700,060	700,060		
<b>3</b>	Equity Shares of Rs.10/- each were issued Malireddy Srinivasulu Reddy against acquisition of Licence to Use Patents for Maximaa Proyurveda.	850,500	-		
	<b><u>Details of Share held by Shareholders holding more than 5 % of the aggregate shares in the Company</u></b>				
		<b>As at 31st March, 2012</b>		<b>As at 31st March, 2011</b>	
	<b>Name of Shareholders</b>	<b>No of Shares Held</b>	<b>% of Holding</b>	<b>No of Shares Held</b>	<b>% of Holding</b>
	Manoj Shah	5,410,010	10.77	1,078,935	12.13
	Mayur Shah	4,633,205	9.22	924,002	10.39
	Mahesh Shah	4,801,345	9.56	953,478	10.72
	Malireddy Srinivasulu Reddy	4,253,000	8.47	-	-
	Adfac Laboratories Pvt Ltd	3,499,800	6.97	700,060	7.87
	Rushabh Real Estate Pvt Ltd	-	-	846,675	9.52
	<b><u>Reconciliation of No. of Shares outstanding at the beginning and at the end of the year</u></b>			<b>No. of Shares</b>	<b>No. of Shares</b>
	<b><u>Equity Shares of Rs.10/- each</u></b>				
	No. of Shares at the beginning of the year			8,896,751	8,896,751
	Add : Equity Shares issued at a premium of Rs.5/- each (Previous Year at a premium of Rs Nil/- each)			850,500	-
	Add : Equity Shares issued at a premium of Rs.16/- each (Previous Year at a premium of Rs Nil/- each)			300,000	-
	Less : Equity Shares converted into Equity Shares of Rs.2/- each			10,047,251	-
	<b>Equity Shares at the end of the year</b>			<u>-</u>	<u>8,896,751</u>



**SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012**

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b><u>Equity Shares of Rs.2/- each</u></b>		
No. of Shares at the beginning of the year	-	-
Add : Shares converted from Equity Shares of Rs.10/- each	50,236,255	-
Equity Shares at the end of the year	<u>50,236,255</u>	<u>-</u>
<b>Note 2 <u>Reserves and Surplus</u></b>		
<b>a <u>Share Premium</u></b>		
Opening balance	43,445,930	39,193,430
Add: Share Premium Received on Allotment of Shares	4,800,000	4,252,500
Closing Balance	<u>48,245,930</u>	<u>43,445,930</u>
<b>b <u>Capital Reserve</u></b>		
Opening Balance	12,180,000	12,180,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	<u>12,180,000</u>	<u>12,180,000</u>
<b>c <u>Profit &amp; Loss Account</u></b>		
Opening Balance	(7,448,118)	(12,181,811)
(+) Net Profit/(Net Loss) For the Current Year	(9,468,716)	4,733,693
Closing Balance	<u>(16,916,834)</u>	<u>(7,448,118)</u>
<b>Total</b>	<b><u>43,509,096</u></b>	<b><u>48,177,812</u></b>
<b>d <u>Equity Share Allotment Account</u></b>		
(Previous Year 8,50,500 Equity Shares of Rs. 10/- each against Licence to Use Patents for Maximaa Proyurveda in accordance with Resolution passed at EGM held on 7th March, 2011 and allotted on 18th May, 2011)	-	8,505,000
<b>Total</b>	<b><u>-</u></b>	<b><u>8,505,000</u></b>
<b>Note 3 <u>Long Term Borrowings</u></b>		
<b><u>Secured Term Loans from Banks</u></b>		
(Secured By Hyp. To Plant & Machineries)	17,582,169	5,236,541
(Secured By Hyp. To Vehicle)	-	74,536
<b>Total</b>	<b><u>17,582,169</u></b>	<b><u>5,311,077</u></b>

## SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b><u>Nature of Security and Terms of Repayment for Long Term Secured Borrowings</u></b>		
<b>Nature of Security :</b> Term Loan amounting to Rs. 1,94,04,691/- ( Previous year Rs. Nil ) is secured by exclusive and specific charge on the assets purchase under the loan for plant & machinery at Dhampur.		
<b>Term of Repayment :</b> Repayable in 84 equated monthly installments of Rs. 3,88,751/- from December 2011, Last installment November 2018. Rate of 15.25% p.a. as at year end .( Previous year Nil)		
<b>Nature of Security :</b> Term Loan amounting to Rs. Nil ( Previous year Rs.52,36,541/- ) is secured by exclusive and specific charge on the assets purchase under the loan for plant & machinery at GIDC, Gundlav.		
<b>Term of Repayment :</b> Repayable in 48 Equated monthly installments of Rs. 2,08,834/-from October 2007 Last installment September 2011. Rate of 12.50% p.a. as at year end .( Previous year 12.50% )		
<b>Note 4</b>	<b><u>Long Term Provisions</u></b>	
	Provision for Taxation	1,010,000
	Provision for Gratuity	1,932,613
	<b>2,942,613</b>	<b>4,839,149</b>
<b>Note 5</b>	<b><u>Long Term Liabilities</u></b>	
	Dealer Deposits	1,965,000
	<b>Total</b>	<b>2,285,000</b>
<b>Note 6</b>	<b><u>Short Term Borrowings</u></b>	
	<b><u>Secured Working Capital Loan from Banks</u></b>	<b>60,231,852</b>
	(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, fixed Plant & Machinery, Machinery Stores, Tools, Fixtures, Furniture, Fitting Acces., Equipments, Electrical Installation both Present & Future.)	
	<b>Total</b>	<b>29,580,710</b>
<b>Note 7</b>	<b><u>Other Current Liabilities</u></b>	
	Current Maturities of Long Term Debt	1,897,058
	Duties & Taxes Payable	151,656
	Advance from Customers	1,905,587
	<b>Total</b>	<b>2,873,662</b>
	<b>9,156,304</b>	<b>3,235,435</b>
	<b>12,958,949</b>	<b>6,260,753</b>
<b>Note 8</b>	<b><u>Short Term Provisions</u></b>	
	Provision for Employee Benefits	2,604,139
	Others Provision	785,227
	<b>Total</b>	<b>1,397,339</b>
	<b>3,389,366</b>	<b>2,046,296</b>



**Note 9 : FIXED ASSETS**

NO.	Name of Assets	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK		
		OPENING BALANCE AS ON.	ADDITION DURING YEAR	DEDUCTION	TOTAL AS ON	OPENING BALANCE AS ON.	DURING THE YEAR	TOTAL AS ON.	AS ON.	AS ON.
		01-04-2011			31-03-2012	01-04-2011		31-03-2012	31-03-2012	31-03-2011
<b>A</b>	<b>TENGIBLE ASSETS</b>									
1	Land	193,175	-	-	193,175	-	-	-	193,175	193,175
2	Land Development	242,069	-	-	242,069	-	-	-	242,069	242,069
3	Building	13,440,704	6,965,788	-	20,106,492	2,555,796	511,262	3,067,058	17,039,434	10,584,908
4	Plant & Machinery	20,365,337	21,967,352	-	42,332,689	8,287,036	1,568,129	9,855,165	32,477,524	12,078,301
5	Computers	3,355,553	128,070	-	3,483,623	2,487,880	166,893	2,664,573	819,050	857,673
6	Furniture & Fixtures	3,551,584	36,000	-	3,587,584	917,379	209,062	1,126,441	2,461,143	2,634,205
7	Office Equipment	1,273,814	12,350	-	1,286,164	318,978	83,188	402,166	883,998	954,836
8	Vehicle	3,136,724	-	-	3,136,724	797,010	297,990	1,095,000	2,041,724	2,339,714
	<b>TOTAL</b>	<b>45,259,960</b>	<b>29,109,560</b>	<b>-</b>	<b>74,368,520</b>	<b>15,374,079</b>	<b>2,836,324</b>	<b>18,210,403</b>	<b>56,158,117</b>	<b>29,884,881</b>
	Previous Year	42,164,320	3,094,639	-	45,258,959	13,259,412	2,114,667	15,374,079	29,884,880	28,904,906
<b>B</b>	<b>INTENGIBLE ASSTS</b>									
1	Goodwill	59,201,892	-	-	59,201,892	23,680,760	11,840,380	35,521,140	23,680,752	35,521,132
2	Formulation Trade Mark	10,084,226	-	-	10,084,228	168,070	672,280	840,350	9,243,878	9,916,158
3	Patents	12,757,500	-	-	12,757,500	212,625	850,500	1,063,125	11,894,375	12,544,875
	<b>TOTAL</b>	<b>82,043,620</b>	<b>-</b>	<b>-</b>	<b>82,043,620</b>	<b>24,061,455</b>	<b>13,363,160</b>	<b>37,424,615</b>	<b>44,819,005</b>	<b>57,982,165</b>
	Previous Year	59,201,892	22,841,728	-	82,043,620	11,840,380	12,221,075	24,061,455	57,982,165	47,361,514
	<b>Group Total</b>	<b>127,302,580</b>	<b>29,109,560</b>	<b>-</b>	<b>156,412,140</b>	<b>39,435,534</b>	<b>16,199,484</b>	<b>55,635,018</b>	<b>100,777,122</b>	<b>87,867,045</b>

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b>Note 10 <u>Long Term Loans and Advances</u></b>		
( Unsecured - Considered Good )		
Capital Advances	7,350,000	-
Security Deposits	9,072,201	8,247,135
Advance Income Tax & TDS	1,559,289	2,869,483
Loans and advances to related parties	1,519,344	300,000
<b>Total</b>	<b>19,500,834</b>	<b>11,416,618</b>
<b>Note 11 <u>Other Non-Current Assets</u></b>		
MAT Credit Entitelment	900,000	900,000
<b>Total</b>	<b>900,000</b>	<b>900,000</b>
<b>Note 12 <u>Inventories</u></b>		
Raw materials	8,703,400	5,426,398
Work In Progress	31,847,744	20,801,491
Finished Goods	7,678,053	2,433,755
Stock In Trade	13,625,998	14,428,575
Packing Materials	759,440	455,533
Plant & Machinery held for disposal	383,031	383,031
<b>Total</b>	<b>62,997,666</b>	<b>43,928,783</b>
<b><u>Details of Raw Materials</u></b>		
CR Coils - HR Sheets	1,683,332	2,238,598
S S Sheets	1,373,936	-
Paints	229,666	776,840
Hardwares & Other Items	4,736,203	2,012,035
Proyurvedic Items	680,263	398,925
	<b>8,703,400</b>	<b>5,426,398</b>
<b><u>Details of Work In Progress</u></b>		
Steel	27,900,787	18,551,602
Paints	1,464,707	827,639
Others	2,482,250	1,422,250
	<b>31,847,744</b>	<b>20,801,491</b>
<b><u>Details of Finish Goods</u></b>		
Racks	-	37,112
Cabinets	80,856	37,435
Pallets	55,088	28,893
Others	28,737	28,594
Proyurvedic Formulations	7,513,372	2,301,721
	<b>7,678,053</b>	<b>2,433,755</b>



## SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b>Details of Stock In Trade</b>		
HR Sheets	1,084,371	
S S Sheets	4,188,888	6,575,606
Others	8,352,739	7,852,969
	<u>13,625,998</u>	<u>14,428,575</u>
<b>Note 13 Trade Receivables</b>		
<b>(Unsecured - Considered Good)</b>		
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment.	27,344,277	40,457,181
Trade Receivables outstanding for a period less than six months from the date they are due for payment.	56,098,019	64,617,444
<b>Total</b>	<u>83,442,296</u>	<u>105,074,625</u>
<b>Note 14 Cash and Cash Equivalents</b>		
Balances with Banks	10,799,349	376,996
Cheques on Hands	5,132,000	638,819
Cash on Hand	116,248	97,508
<b>Total</b>	<u>16,047,597</u>	<u>1,113,323</u>
<b>Note 15 Short Term Loans and Advances</b>		
<b>(Unsecured - Considered Good)</b>		
Advance To Suppliers	2,588,601	813,380
Margin Money Deposits with Bank	2,674,000	6,328,825
Other Loans & Advances	11,365,779	5,978,586
<b>Total</b>	<u>16,628,380</u>	<u>13,120,791</u>
<b>Note 16 Contingent Liabilities and Commitments</b>		
<b>(to the extent not provided for )</b>		
<b>Disputed Liabilities towards :</b>		
Gujarat Value Added Tax 2003	-	536,445.00
Central Sales Tax Act , 1956	-	404,047.00
<b>Total</b>	<u>-</u>	<u>940,492.00</u>
Liability of GVAT of Rs.1,94,080/- and CST of Rs.57,082/- has been crystallised vide an order dated May 16, 2012, which is recognised and provided for in the current year under reference.		

**SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012**

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b>Note 17 Revenue from Operations</b>		
<b>Sale of Products</b>		
Manufactured Sales	84,214,111	115,700,590
Trading Sales	112,119,391	61,751,625
<b>Sale of Services</b>	17,606,786	22,217,858
Less: Excise Duty Recovered	7,145,815	9,752,228
<b>Total</b>	<b>206,794,473</b>	<b>189,917,845</b>
<b>Details of Sale Products</b>		
<b>Class of Goods</b>		
<b>Manufacturing Goods</b>		
Racks	43,762,520	89,888,610
Cabinets	4,890,506	3,664,617
Pallets	2,443,521	4,684,419
Others	7,109,419	6,172,958
Proyurveda Formulations	20,380,185	1,537,758
Add :		
Excise Duty Recovered	5,627,960	9,752,228
<b>TOTAL - ( A )</b>	<b>84,214,111</b>	<b>115,700,590</b>
<b>Stock in Trade</b>		
CR Sheets	1,769,600	-
HR Coils	6,320,715	-
S S Sheets	100,665,724	47,291,252
Polymer Pallets	3,363,351	5,485,633
Others	-	8,974,740
<b>TOTAL - ( B )</b>	<b>112,119,390</b>	<b>61,751,625</b>
<b>Total ( A + B )</b>	<b>196,333,501</b>	<b>177,452,215</b>
<b>Note 18 Othe Income</b>		
Interest income	137,672	47,088
Foreign Exchange Gain	648,916	-
Gratuity Provision Written Back	1,843,536	-
Sundry Balances Written Back	-	627,126
<b>Total</b>	<b>2,630,124</b>	<b>674,214</b>



**SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012**

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b>Note 19 Cost of Materials Consumed - MFG STG</b>		
Opening Stock	5,027,473	8,059,166
Add : Purchase	49,239,018	80,871,530
Total :	<u>54,266,491</u>	<u>88,930,696</u>
Less: Closing Stock	8,023,137	5,027,473
	<u>46,243,354</u>	<u>83,903,223</u>
<b>Cost of Materials Consumed - PROY</b>		
Opening Stock	854,458	-
Stock Acquired from Adfac Laboratories Pvt Ltd	-	915,640
Add : Purchase	8,501,862	1,627,434
Total :	<u>9,356,320</u>	<u>2,543,074</u>
Less: Clsoing Stock	1,439,703	854,458
	<u>7,916,617</u>	<u>1,688,616</u>
<b>Total Cost of Materials Consumed</b>	<u>54,159,971</u>	<u>85,591,839</u>
<b>Details of Material Consumed</b>		
CR sheets / HR Coils	37,040,148	69,789,342
S S Sheets	828,921	-
Paints	3,452,725	4,674,009
Others / Hardwares	4,921,560	9,439,872
	<u>46,243,354</u>	<u>83,903,223</u>
<b>Proyurvedic Items</b>	<u>7,916,617</u>	<u>1,688,616</u>
	<u>7,916,617</u>	<u>1,688,616</u>
<b>Purchase of Stock -In- Trade</b>		
HR Sheets	4,806,760	15,419,768
S S Sheets	91,759,051	31,243,409
CR Sheets	1,612,800	-
Softwares	-	9,618,832
	<u>98,178,611</u>	<u>56,282,009</u>
<b>Note 20 Manufacturing and Operating Costs</b>		
Consumables Stores	75,909	687,911
Frieght & Carriage Expenses	4,249,919	1,595,921
IT Service Expenses	6,943,806	2,721,250
Other Factory Expenses	2,064,785	1,951,930
Packing Expenses	360,261	322,296
Power & Fuel	2,826,772	2,912,163
Repairs And Maintenanace - Factoty Building	130,519	279,482
Repairs And Maintenanace - Plant & Machinery	89,532	197,214
<b>Total</b>	<u>16,741,503</u>	<u>10,668,167</u>

**SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012**

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b>Note 21 Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade</b>		
<b>Opening Stock</b>		
Material In Process	20,801,491	8,385,587
Finished Goods	2,433,755	1,419,131
Finished Goods Aquired from ADFAC Laboratories	-	1,084,360
Stock In Traded	14,428,575	16,855,481
<b>Total</b>	<b>37,663,821</b>	<b>27,744,559</b>
<b>Less : Closing Stock</b>		
Material In Process	31,847,744	20,801,491
Finished Goods	7,678,053	2,433,755
Stock In Traded	13,625,998	14,428,575
<b>Total</b>	<b>53,151,795</b>	<b>37,663,821</b>
Excise Duty on Closing Stock of Finish Goods	18,026	12,049
Less : Excise Duty on Opening of Finish Goods	12,049	149,861
Add (Less) : Variation in Excise Duty on Opening & Closing Stock of Finish Goods	<b>5,977</b>	<b>(137,812)</b>
<b>Total</b>	<b>(15,481,997)</b>	<b>(10,057,074)</b>
<b>Note 22 Employee Benefit Expenses</b>		
Salaries and Wages	24,076,520	9,773,039
Director Remuneration	2,489,940	2,759,940
Contribution to Provident and Other Funds	739,717	477,907
Gratuity Expenses	185,774	-
Provision for Gratuity	-	2,470,216
Staff Welfare Expenses	763,726	357,732
<b>Total</b>	<b>28,255,677</b>	<b>15,838,834</b>
<b>Payments provided During the period for the Directors</b>		
On Account of Salary to Directors	2,489,940	2,489,940
<b>Note 23 Finance Costs</b>		
Interest Expense	7,837,055	4,626,499
Other Borrowing Costs	1,353,210	357,779
<b>Total</b>	<b>9,190,265</b>	<b>4,984,278</b>



## SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b>Note 24 Other Expenses</b>		
Advertisement Expenses	114,156	184,954
Audit Fees	264,720	215,790
Bank Charges	124,066	371,973
Commission to Distributors	981,831	721,079
Foreign Exchange Rate Difference	-	77,627
Insurance	57,557	103,663
Legal And Professional Charges	1,187,617	470,130
Misc. Expenses	3,225,847	2,069,578
Custody Fees & RTA Expenses	179,783	288,045
Rates And Taxes	1,430,469	686,479
Rent	1,718,076	436,000
Repairs And Maintenance Others	122,057	189,508
Vehicle Expenses	550,325	401,049
Travelling & Conveyance Expenses	719,736	1,573,553
Tempo Expenses	245,695	222,802
Misc. Expenses Written Off	-	22,460
Sundry Balances Written Off	375,890	-
Donations	102,400	25,002
<b>TOTAL</b>	<b>11,400,225</b>	<b>8,059,692</b>

**Details of Payments to Auditors**

Statutory Audit Fees (Including Service Tax)	264,720	215,790
Taxation & Other Matters	-	80,075
<b>TOTAL</b>	<b>264,720</b>	<b>295,865</b>

**Note 25 Expenditure in Foreign Currency**

On account of Foreign Travel Expenses	68,964	-
---------------------------------------	--------	---

**Note 26 Earning in Foreign Currency**

On account of Export of IT Services	15,286,906	15,144,016
-------------------------------------	------------	------------

**Note 27**

- a Trade Payable includes Rs. 2,17,333/- ( previous year Rs. 2,61,618/- ) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006.
- b No Interest is paid / payable during the year to any enterprise register under the MSMEDA, 2006.
- c The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of the suppliers under the MSMESA, 2006.

**Note 28 Related Party Disclosure (As identified by the Management)**

**1 Related Party Relationships**

(a)	Enterprises owned by Directors or Major Shareholders where control exist	:	Shree Laxmi Furniture Shree Laxmi Industries Adfac Laboratories Pvt Ltd
(b)	Key Management Personnel :	:	Mr.Mayur B. Shah Mr.Manoj B. Shah Mr.Mahesh B. Shah Dr. D.R.K. Reddy
(c)	Relatives of Key management personnel and their enterprises where transactions have taken place	:	Mrs. Shaila M Shah Ms. Shyama Reddy Mr. Kunal Manoj Shah Mr. Tarang Mayur Shah

**2 Transactions with Related Parties**

	Nature of Transactions (Excluding Reimbursement)	Enterprises owned by Directors or Major Shareholders where control exist	Key Managerial Personnels	Relatives of key management personnel and their enterprises where transactions have taken place	Total
i	Director Remuneration		2,489,940 (2,489,940)		2,489,940 (2,489,940)
ii	Rent		435,000 (453,000)	700,000 ( Nil)	1,135,000 (453,000)
iii	Salary			760,000 (420,000)	760,000 (420,000)

**3 Balance Outstanding as on 31-03-2012**

	Nature of Transactions (Excluding Reimbursement)	Enterprises owned by Directors or Major Shareholders where control exist	Key Managerial Personnels	Relatives of key management personnel and their enterprises where transactions have taken place	Total
i	Advances Given	1,200,000 ( Nil )	1,416,932 (3,061,326)	- -	2,616,932 (3,061,326)
ii	Sundry Debtors	430,642 (3,456,000)	-	-	430,642 (3,456,000)
iii	Security Deposits Given	-	7,582,821 (7,401,000)	-	7,582,821 (7,401,000)

Note: Related Party relationship is as Identified by the Company and relied upon by the Auditors.



**SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2012**

PARTICULARS	As at 31st March, 2012	As at 31st March, 2011
<b>Note 29 <u>Disclosures pursuant Accounting Standard - 15 'Employees Benefits'</u></b>		
<b><u>Details of Provisions for Gratuity</u></b>		
<b>A <u>Expenses Recognized in the Statement of Profit &amp; Loss Account</u></b>		
i Current Service Cost	325,406	313,314
ii Interest Cost	311,532	107,739
iii Expected Return on Planned Assets	-	-
iv Net Actuarial ( Gain ) /Loss recognized during the year	(2,480,474)	2,049,163
v Settlement Cost / Others	-	-
<b>Total Expenses</b>	<b>(1,843,536)</b>	<b>2,470,216</b>
<b>B <u>Net Assets / Liability Recognized in the Balance Sheet</u></b>		
i Present value of the obligation	1,932,613	3,776,149
ii Fair Valued of Planned Assets	-	-
iii Net Assets/ Liability recognized in the Balance Sheet	1,932,613	3,776,149
iv Add: Provosion for seprated employee / others	-	-
<b>Total Provision</b>	<b>1,932,613</b>	<b>3,776,149</b>
<b>C <u>Change in Present Value of Obligation</u></b>		
i Present Value of obligation as on 31-03-2011	3,776,149	1,305,933
ii Current Service Cost	325,406	313,314
iii Interest Cost @ ( 0.0825)	311,532	107,739
iv Benefits Paid	-	-
v Net Actuarial ( Gain ) /Loss recognized during the year	-	-
Present Value of obligation as per actual valuation as at 31-03-12	(2,480,474)	2,049,163
vi Add: Provision for seprated employee / others	-	-
<b>Total Provision</b>	<b>1,932,613</b>	<b>3,776,149</b>
<b>D <u>Actuarial Assumptions:</u></b>		
i Withdrawal Rate	1 % p.a	1 % p.a
ii Salary Growth	6.5 % p.a.	6.5 % p.a.
iii Mortality Rate	LIC ( 1994-96 ) ultimate Mortality Rates	
iv Rate of Interest	8.75%	8.25%
v Retirement Age	58 years	58 years

**Note 30** The financial statement for the year ended 31st March, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared under revised Schedule VI. Accordingly, the previous year figure have also been reclassified to confirm to this year's classification.

**Note 31** Significant accounting policies and practice adopted by the Company are disclosed in the statement annexed to these financial statements as **Annexure I**.

As per our Attached Report of Even Date  
For **D.D.DESAI & ASSOCIATES**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**D.D.DESAI**  
Proprietor  
Membership No.: 042031  
F.R.No. 102297W

**MANOJ SHAH**  
MANAGING DIRECTOR

**MAYUR SHAH**  
JOINT MANAGING DIRECTOR

**MAHESH SHAH**  
JOINT MANAGING DIRECTOR

**NIRMALA AGARWAL**  
COMPANY SECRETARY

Place : Valsad  
Date : 14.08.2012



**ANNEXURE 1**

**STATEMENT OF SIGNIFICANT ACCOUNTING POLICES AND PRACTICES:**

**1 General :**

- i The accounts are prepared on historic cost basis.
- ii The company follows accrual system of accounting as requires under section 209(3)(b) of the Companies Act 1956 generally.

**2 Recognition of Income and Expenditure:**

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

**3 Use of Estimates:**

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

**4 Basis of Valuation of Fixed Assets :**

- i Land Free Hold - At Cost
  - ii Other Fixed Assets - At Cost less Depreciation
- \*Cost\*for the aforesaid purpose comprises of its purchase price and attributable cost for bringing the asset to its working condition for its intended use.

**5 Depreciation :**

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

Nature of Assets	Period of Amortisation
Goodwill ( Generated in Amalgamation)	5 years
Patents	15 years
Trade Mark, Formulation etc	15 years

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

**6 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.

**7 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.

**8 Inventories**

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

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

**9 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 Gratitude liability as on 31-03-2012 has been recognised in Balance Sheet. No provision is required to be made for leave encashment.

**10 Foreign Currency Transactions**

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

**11 Taxes on Income**

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

Deferred Tax Assets are 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. In absence of reasonable certainty, Deferred Tax Asset worked out as under has not been recognised. :-



	31-03-2012	31-03-2011
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	4,298,129	3,634,757
Related to Provision for Gratuity Written back		569,653
<b>Deferred Tax Assets</b>		
Related to Disallowance under income tax Act, 1961	-	1,166,830
Related to Carried forward Losses & Unabsorbed Depreciation	18,650,482	19,253,057
<b>Net Deferred Tax Assets</b>	<b>13,782,700</b>	<b>16,785,130</b>

The determination of perquisites has been calculated as per Income Tax Rules, 1962.

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

Segment Information for the Year Ended 31st March, 2012

Sr. No.	Particulars	Storage Systems Div.		IT Services Div.		Proyurvada Div.		Total Segment		Unallocated		Grand Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	2011-12	2010-11
1	SEGMENT REVENUE												
	Sales :	173,645,237	173,069,234	15,286,906	15,144,016	18,862,330	1,694,556	206,794,473	189,917,845	-	-	206,794,473	189,917,845
	Other Income :	137,672	674,214	648,916	-	-	-	786,588	674,214	1,843,536	-	2,630,124	674,214
	Net Sales/Income From Operations :	172,762,909	173,763,448	15,935,822	15,144,016	18,862,330	1,694,556	207,581,061	190,592,059	1,843,536	-	209,424,597	190,592,059
2	SEGMENT RESULTS												
	Profit before Tax, depreciation & interest	20,435,893	24,665,179	7,646,094	11,781,211	(3,629,851)	(3,809,959)	24,452,126	3,265,756	(8,281,519)	(844,887)	16,170,607	2,420,869
	Less : Depreciation :	2,461,908	1,747,025	98,037	64,029	1,561,969	389,444	4,121,914	2,200,498	12,077,570	12,136,244	16,189,464	14,335,742
	Profit After Depreciation :	17,973,975	22,938,382	7,548,057	11,717,182	(5,191,820)	(4,198,502)	20,330,212	30,457,052	(20,349,069)	(20,984,114)	(26,677)	9,872,948
	Less : Interest :	-	-	-	-	159,445	52,500	159,445	52,500	9,030,820	4,931,778	9,190,265	4,984,278
	Profit before Extra Ordinary Item	17,973,975	22,938,382	7,548,057	11,717,182	(5,351,265)	(4,251,002)	20,170,767	30,404,552	(29,389,909)	(25,515,892)	(9,219,142)	4,888,622
	Less: Extra Ordinary Items :	-	-	-	-	-	-	-	-	249,574	154,929	249,574	154,929
	Less: Provision for Taxation :	-	-	-	-	-	-	-	-	(28,639,483)	(25,670,821)	(9,469,716)	4,733,693
	NET PROFIT :	17,973,975	22,938,382	7,548,057	11,717,182	(5,351,265)	(4,251,002)	20,170,767	30,404,552	(28,639,483)	(25,670,821)	(9,469,716)	4,733,693
	OTHER INFORMATION												
3	Segment Assets :	119,290,057	171,358,000	14,061,278	12,772,000	32,667,214	30,673,000	166,016,549	214,801,000	33,799,224	48,621,000	199,816,773	263,421,000
4	Segment Liabilities :	64,105,269	124,118,000	686,804	0.00	8,174,475	4,847,000	72,866,548	128,965,000	23,113,889	6,455,000	96,080,437	135,421,000
5	Capital Expenditure (incl.Capital WIP) :	-	-	-	-	-	-	-	-	-	-	-	-

**NOTE :-** Items of Expenses and Income, Assets and Liabilities (including Provision for Taxation, Provision for Gratuity, Deferred Tax Liability and Advance Tax), which are not directly attributable / identifiable / allocated to business segment are considered Unallocated.



**MAXIMAA SYSTEMS LIMITED**

Regd. Office : Suraj Estate, Kailash Road, Valsad- Gujarat- 396 001 (INDIA)

**ANNUAL GENERAL MEETING  
PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_  
being a member(s) of Maxima Systems Ltd, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or  
failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy and to vote for me/us on my/our behalf  
at the ANNUAL GENERAL MEETING of the Company at Suraj Estate, Kailash Road, Valsad-396 001 to be  
held on Friday, the 28th day of September, 2012 at 9:00 A.M. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2012

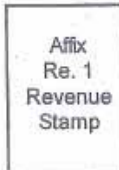
Ledger Folio No. \_\_\_\_\_

DP ID \* \_\_\_\_\_

CLIENT IN \* \_\_\_\_\_

No. of Shares held \_\_\_\_\_

\*Applicable for the members holding shares in electronic form



(Signature across the stamp)

Note : This form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

**MAXIMAA SYSTEMS LIMITED**

Regd. Office : Suraj Estate, Kailash Road, Valsad- Gujarat- 396 001 (INDIA)

**ATTENDANCE SLIP  
TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL**

Full Name of the Member attending  
(IN BLOCK LETTERS): \_\_\_\_\_

Full Name of Proxy  
(IN BLOCK LETTERS): \_\_\_\_\_  
(To be filled in if Proxy attends instead of the Member)

I have record my presence at the ANNUAL GENERAL MEETING of the Company at Suraj Estate, Kailash Road, Valsad-396 001 to be held on Friday, the 28th day of September, 2012 at 9:00 A.M.

Ledger Folio No. \_\_\_\_\_

DP ID \* \_\_\_\_\_

CLIENT IN \* \_\_\_\_\_

No of Shares held \_\_\_\_\_

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

\* Applicable for the members holding shares in electronic form.

Note: Members are requested to bring their copies of the Annual Report to the meeting.

\_\_\_\_\_  
Member's /Proxy's Signature