

FORM B

|    |  |  |
|----|--|--|
| 1. | Name of the company  | Maestros Electronics & Telecommunications Systems Limited  |
| 2. | Annual financial statements for the year ended   | 31 <sup>st</sup> March, 2015   |
| 3. | Type of Audit qualification  | Qualified  |
| 4. | Frequency of qualification   | Appeared for First Time  |
|    | Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report | Statutory Audit : Please refer Point No iv and vii (a) of Annexure to Independent Auditors report<br>Secretarial Audit : Please refer to annexure E to Directors report  |
|    | Additional comments from the board/audit committee chair:  | The Company is in the process of compliance with the provisions.   |
| 5. | To Be Signed by-   | <p>TELECOMMUNICATIONS SYSTEMS LTD.</p> <p>(B.K. Tendulkar, Managing Director)</p> <p>The Company has not appointed CFO and is in process of recruiting eligible and suitable personnel for the same.</p> <p>For DMKH &amp; Co.<br/>Chartered Accountants</p> <p>CA Harish Laddha<br/>Partner</p> <p>Vasundhara Atre<br/>Audit Committee Chairman</p> |
|    | CEO/Managing Director  |  |
|    | CFO  |  |
|    | Auditor of the Company   |  |
|    | Audit Committee Chairman   |  |

**6th ANNUAL REPORT**

**OF**

**MAESTROS ELECTRONICS &  
TELECOMMUNICATIONS SYSTEMS  
LIMITED**

**FOR THE YEAR**

**2014 - 2015**

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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. B.K. Tendulkar  
Chairman & Managing Director  
DIN : 02448116

Mr. Muralidharan Karathedathuraman Nair  
Non-executive Independent Director  
DIN : 05217743

Ms. Vasundhara Atre  
Non-executive Independent Director  
DIN : 02937582

Mr. Narendra Prabhakar Mahajani  
Non-executive director  
DIN : 01048676

Mr. Nitin Sadashiv Paranjape  
Non-executive director  
DIN : 00575053

**BANKERS**

**HDFC BANK**

Plot No.82,  
Sector 17, Vashi  
Navi Mumbai- 400 703

**DENA BANK**

Turbhe Branch  
Sector 19, Vashi  
Navi Mumbai- 400 703

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400 078.

**REGISTERED OFFICE**

Plot No. El/63, TTC Industrial Area,  
Electronic Zone, Mahape,  
Navi Mumbai - 400 710.

**PLANT LOCATIONS**

Plot No. El/66, TTC Industrial Area,  
Electronic Zone, Mahape,  
Navi Mumbai - 400 710.

**NOTICE OF THE SIXTH (6<sup>TH</sup>) ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT THE SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF MAESTROS ELECTRONICS & TELECOMMUNICATIONS SYSTEMS LIMITED WILL BE HELD ON TUESDAY, 29<sup>TH</sup> SEPTEMBER, 2015 AT 3.30 P.M AT HOTEL CELEBRATIONS, PLOT NO. L-1, SECTOR 19, VASHI, NAVI MUMBAI-400 705 TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and the Auditors thereon.**
- 2. To appoint a Director in place of Mr. Narendra Prabhakar Mahajani (DIN: 01048676), who retires by rotation and being eligible offers himself for re-appointment.**
- 3. To Ratify the appointment of statutory Auditors of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of section 139 and all other applicable provisions, if any, of the companies Act, 2013 (the “Act”) read with Rule 3(7) of the companies (Audit and Auditors) Rules, 2014 (including statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s. DMKH & Co., Chartered Accountants, Mumbai (Registration Number - 116886W) as the Statutory Auditors of the company, who were appointed by the members at their annual general meeting held on 22<sup>nd</sup> December, 2014 to hold office of auditors upto the conclusion of the Annual General Meeting of the company for the year ended 2018-2019, be and is hereby ratified to hold the office of auditors from the conclusion of this meeting to the next annual general meeting of the company on a remuneration as may be decided by the board.

**SPECIAL BUSINESS:**

- 4. Increase in the Authorized Share Capital and alteration of the Capital Clause of the Memorandum of Association of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 61 read with section 64 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the Authorized Share Capital of the Company be and is hereby increased from Rs. 4,00,00,000/- (Rupees Four Crores Only) divided into 40,00,000 (Forty Lacs) equity shares of Rs. 10/- (Rupees Ten) each to Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 (Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten) each by creation of additional 10,00,000 (Ten Lacs) Equity Shares of Rs.10/- (Rupees Ten) each and consequently the existing Clause V(a) of the Memorandum of Association of the

Company be and is hereby altered by substituting the figures and the words "Rs. 4,00,00,000/- (Rupees Four Crores Only) divided into 40,00,000 (Forty Lacs) Equity Shares of Rs.10/- (Rupees Ten) each to Rs.5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lacs) equity shares of Rs. 10/- (Rupees Ten) each".

**5. Approval of Managerial Remuneration of Mr. B.K.Tendulkar (DIN: 02448116), Managing Director.**

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

**"RESOLVED THAT** pursuant to provisions Section 197 and read with Schedule V and all other applicable provisions along with rules made there under, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) Consent of Shareholders of the Company, be and is hereby accorded for payment of remuneration from 14<sup>th</sup> February, 2015 to 13<sup>th</sup> February, 2017 (remaining period of tenure) of Mr. B.K.Tendulkar, Managing Director (DIN: 02448116) of the Company notwithstanding the fact that in any financial year the Company's profits are inadequate

**RESOLVED FURTHER THAT** the actual remuneration, its components and periodicity may be fixed or varied for each financial year by the Board of Directors of the Company and it shall not exceed the maximum permissible limit as per Schedule V, Part II, Section II, clause (A) of the Companies Act, 2013.

**6. Issue of Equity Shares and Equity Warrants On Preferential Allotment Basis**

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

**"RESOLVED THAT** in accordance with the provisions of section 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), and in accordance with Securities and Exchange Board of India (Issue and capital Disclosure Requirements) Regulations, 2009 as amended from time to time ("SEBI ICDR Regulations") and subject to all necessary approvals, consents, permissions and/or sanctions of the Government of India, Reserve Bank of India, Foreign investment Promotion Board, Secretariat of Industrial Approvals under the Foreign Exchange Management Act, 1999, (including any statutory modification or re-enactment thereof, for the time being in force) and other applicable laws, and enabling provisions in the Memorandum and Articles of Associations of the Company and the Listing agreement entered into by the Company with the Bombay Stock Exchange (BSE) where the shares of the company are listed and subject to such terms and conditions as may be determined by the Board of Directors of the Company (hereinafter referred to as 'the Board' which expressions shall include any committee constituted for the time being thereof) on such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals,

consents, permissions or sanctions and agreed to by the Board, consent and approval of the Company be and is hereby accorded to the Board to offer, issue and allot on a preferential allotment basis, in one or more tranches, 2,90,000 Equity Shares of face value of Rs. 10/- each and 7,40,000 Equity Warrants, to be convertible, in one or more tranches, into equity shares of the Company, i.e One Equity share for every one warrant, at the option of the warrant holder within a period not exceeding eighteen months (18 months) from the date of allotment of Equity Warrants in accordance with SEBI (ICDR) Regulations 2009, and the above mentioned 2,90,000 Equity Shares and 7,40,000 Equity Warrants shall be issued for cash, at a price of Rs. 27/- per warrant / share, including a premium of Rs. 17/- per warrant / share, aggregating to Rs. 78,30,000/- through issue of equity shares and Rs. 1,99,80,000/- through issue of equity warrants, or such additional price, if any, as may be arrived at by re-computation of the price as prescribed under Regulation 76(1) of the SEBI ICDR Regulations on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the 'Board' which shall be deemed to include any duly authorized committee thereof) at time of issue or allotment to the following persons:-

| Sr. No. | Name of Proposed Allottees | Category: Part of Promoter Group / Others | Equity Shares to be Issued | Equity Warrants to be Issued |
|---------|----------------------------|---|----------------------------|------------------------------|
| 1.      | B.K. Tendulkar             | Promoter                                  | 2,90,000                   | 7,40,000                     |
|         | <b>Total</b>               |   | <b>2,90,000</b>            | <b>7,40,000</b>              |

**RESOLVED FURTHER THAT**

(a) The bearer of the warrant shall be entitled to exercise the option of acquiring equity shares pursuant to conversion of warrants, in one or more tranches, within a period of 18 months from the date of allotment of warrants.

(b) Equity shares issued pursuant to conversion of warrants shall be subject to Memorandum and Articles of Association of the Company

(c) Equity shares allotted pursuant to conversion of warrants shall in all respects rank pari passu with the existing shares of the Company, including right to dividend.

(d) An amount equivalent to at-least 25 percent of the price fixed shall become payable for the warrants before the date of their allotment, i.e., Rs. 49,95,000/-

(e) The amount referred to in (d) above shall be adjusted against the price payable subsequently for acquiring the equity shares by exercising the conversion of warrants.

(f) The amount referred to in (d) above shall be forfeited if the option to acquire shares pursuant to conversion of warrants is not exercised by the allottee within a period of 18 months from the date of allotment of warrants.

**“RESOLVED FURTHER THAT** the issue of equity shares and equity warrants, in the manner aforesaid, be governed by the respective provisions of the Companies Act, 2013, the Memorandum of Association, Articles of Association, SEBI (Issue of Capital and

Disclosure Requirements) Regulations, 2009 (hereinafter referred to as “SEBI ICDR Regulations”) or any other applicable laws as the case may be, or any modification thereof.”

**“RESOLVED FURTHER THAT** the “Relevant Date” under SEBI (ICDR) Regulations on preferential issues in relation to the equity shares and equity warrants for the purpose of determining the issue price shall be 28<sup>th</sup> August, 2015 being the date 30 days prior to the date of passing this Resolution.

**“RESOLVED FURTHER THAT** equity shares so allotted and the equity shares arising out of the conversion of the equity warrants shall rank pari passu in all respects with the existing equity shares of the Company.”

**“RESOLVED FURTHER THAT** the aforesaid equity shares to be allotted and the aforesaid equity warrants to be allotted in terms of this resolution and the resultant equity shares arising on exercise of conversion right attached to the warrants shall be subject to lock-in requirements as per the provisions of Chapter VII of the SEBI (ICDR) Regulations.”

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to make and accept all such condition(s), modification(s) and alterations(s), if any, stipulated by any relevant authority(s) while according approvals or consents to the issue as may be considered necessary, proper, expedient, desirable or appropriate to effect such modification(s) and to resolve and settle all questions, difficulties or doubts that may arise in this regards and to do all such acts, deeds, matters and things as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the Company.

**RESOLVED FURTHER THAT** the Board is hereby authorised to accept such terms and conditions as the SEBI and / or Stock Exchange may stipulate in this behalf.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

For and on behalf of the Board of Directors  
Maestros Electronics &  
Telecommunications Systems Limited

Sd/-

B. K. Tendulkar

Managing Director

DIN: 02448116

Address: 601, Yashika Apartments,

Plot No- 113, Shri Krishna Nagar,

Borivli (E), Mumbai, 400066

Date: 28/08/2015

Place : Navi Mumbai



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETINGS IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ONLY, INSTEAD OF HIMSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.

**A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER**

2. Members/proxies should bring duly attendance slip sent herewith to attend the meeting.
3. Institutional & Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the company through e-mail [compliance@maestros.net](mailto:compliance@maestros.net) with a physical copy to company at Registered Office : Plot No.EL-63, TTC Industrial Area, Electronic Zone, MIDC, Mahape, Navi Mumbai -400 710.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2015 to 29<sup>th</sup> September, 2015 (both days inclusive).
5. Members holding shares in physical form are requested to notify the change, if any, in their address and blank mandate details to the Registrar and Share Transfer Agent, Link Intime India Pvt Ltd, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400078.
6. Members are requested to bring their copy of the Annual Report at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
8. Members seeking any information on the Accounts are requested to write to the Company, which should reach the Company at least one week before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the Annual General Meeting.
9. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the businesses under Item Nos. 4, 5 & 6 of the Notice is annexed hereto.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

11. Members are requested to immediately intimate changes, if any, in their registered addresses along with pincode number to the Company. Members holding shares in dematerialised mode are requested to intimate the same to their respective Depository Participants.
12. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate risks associated with physical shares.
13. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during (3.00 pm to 5.00 pm) on all working days, upto and including the date of the Annual General Meeting of the Company.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
16. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

**17. Voting through electronic means**

In compliance with the provisions of Section 108 of the Act and the Rules made thereunder, the Members are provided with the facility to cast their vote electronically, through the e-Voting Services provided by Central Depository Services (India) Limited (CDSL) on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- a) The voting period begins on Saturday, 26<sup>th</sup> September, 2015, 10.00 A.M. and ends on Monday, 28<sup>th</sup> September, 2015 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- c) Click on Shareholders.
- d) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e) Next enter the Image Verification as displayed and Click on Login.
- f) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- g) If you are a first time user follow the steps given below:

| <b>For Members holding shares in Demat Form and Physical Form</b> |  |
|---|--|
| PAN   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Address Stickers.</li> </ul> |
| DOB   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.  |

- h) After entering these details appropriately, click on "SUBMIT" tab.
- i) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- l) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- n) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r) **Note for Non-Individual Shareholders & Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
18. Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, at M/s Makarand M Joshi & Co., Companies Secretary at Ecstasy, 803-804, 9<sup>th</sup> Floor, Citi of Joy, J.S.D. Road, Mulund (West), Mumbai - 400 080. not later than 28<sup>th</sup> September 2015 (5.00p.m.). Ballot Forms deposited in person or sent by post or courier. Ballot form received after this date will be treated as invalid.
19. The facility for voting through ballot paper shall be made available at the AGM and the members attending the AGM who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

#### **Other Instructions**

- A) The voting rights of Members shall be in proportion to their share of the paid up share capital of the Company as on 22<sup>nd</sup> September, 2015.
- B) Mrs. Kumudini Paranjape, Partner of Makarand M. Joshi & Co; Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- D) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period shall make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- E) The Results declared along with Scrutinizer’s Report(s) will be available on the website of the Company ([www.maestroselectronics.net](http://www.maestroselectronics.net)) within two days of passing of resolutions and communication of the same to the BSE Limited.

**For and on behalf of the Board of Directors  
Maestros Electronics & Telecommunications  
Systems Limited**

**Sd/-**

**B. K. Tendulkar**

**Managing Director**

**DIN: 02448116**

**Address: 601, Yashika Apartments,**

**Plot No- 113, Shri Krishna Nagar,**

**Borivli (E), Mumbai, 400066**

**Date: 28/08/2015**

**Place : Navi Mumbai**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4:**

In order to generate long term funds by issue of Equity Shares and warrants to the Promoter and/or Promoter Group and/or any other person, the existing Authorised Share Capital may not be sufficient for the purpose. It is therefore considered necessary to increase the Authorised Share Capital of the Company to the extent mentioned in item No.4 of the Notice, with the consequential alterations in the Capital Clauses of the Memorandum of Association as set out in item no. 4 of the Notice.

The provisions of the Companies Act, 2013 require the Company to seek the approval of the Members for increase in the Authorised Share Capital and for the alteration of Capital Clause of the Memorandum of Association of the Company and accordingly the Board recommend the relevant resolutions for the approval of the Members.

None of the Directors of the Company or key managerial personnel or their relatives is, in any way, concerned or interested in the resolutions.

**Item No. 5:**

Mr. B. K. Tendulkar (DIN: 02448116) was appointed as the Managing Director of the Company for the period of five years from 14<sup>th</sup> February, 2012 till 13<sup>th</sup> February, 2017. Further, the remuneration was approved upto 14<sup>th</sup> February, 2015 as per schedule XIII, Part II, Section II, clause (B) of the Companies act, 1956. Keeping in view that Mr. B. K. Tendulkar (DIN: 02448116) has rich and varied experience in the industry and has been involved in the operations of the Company. The Board hereby proposes the said resolution for payment of remuneration to Mr. B. K. Tendulkar, (DIN: 02448116) Managing Director from 14<sup>th</sup> February, 2015 to 13<sup>th</sup> February, 2017 (remaining period of tenure) to members for their approval as per the maximum permissible limit as per Schedule V, Part II, Section II, clause (A) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in the said resolution except Mr. B.K.Tendulkar (DIN: 02448116).

**Item No. 6:**

The Company proposes to raise capital by issue of Equity Shares and Equity warrants convertible into equity shares, on a preferential basis to the promoter as mentioned in the resolution. The Board of Directors proposes to make a private placement of 2,90,000 equity shares of Rs. 10/- each and 7,40,000 equity warrants at an issue price of Rs. 27/- per share / warrant by way of preferential issue, for cash. One Equity warrant shall be converted into one equity share, at the option of the warrant holder within a period not exceeding eighteen

months (18 months) from the date of allotment of Equity Warrants in accordance with SEBI (ICDR) Regulations 2009.

Consent of the shareholders is sought for issuing Equity Shares and Equity Warrants as stated in the resolution. The proposed resolution authorizes the Board of Directors to mobilize adequate resources to meet the growing needs of the Company by issue of equity shares and equity warrants.

Under the proposed Special Resolution, consent of shareholders is sought pursuant to the provisions of Section 42, 62(1)(c) and all other applicable provisions of the Companies Act, 2013 and rules made there under, the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, ("the Regulations") and in terms of the provisions of the Listing Agreement.

The disclosures as required under Chapter VII of SEBI (ICDR) Regulations, 2009 are as follows:-

- 1. Object of the issue:** The Company intends to use the net proceeds of the offerings as envisaged in Item Nos. 6 for the following purposes:-

The proceeds of the issue shall be used for development of existing products, identification and development of new products & other general corporate purposes.

- 2. Intention of the Promoters/directors/key management persons to subscribe the offer:**

Mr. B.K. Tendulkar, being the Promoter proposes to subscribe to the offer.

- 3. Terms of Shares:** The equity shares to be issued and the resulting shares arising out of conversion of equity warrants to be issued shall rank pari passu in all respects with the existing equity shares of the Company. All these equity shares shall be subject to the Memorandum and Articles of Association of the Company.

- 4. Pricing of Equity Shares:** The above Equity Shares and the Equity warrants will be issued and allotted at a price not less than the higher of the following in terms of the SEBI (ICDR) Regulations, 2009:

(a) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on the recognised stock exchange during the 26 weeks preceding the relevant date; or

(b) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the 2 weeks preceding the relevant date.

The average price per share calculated in accordance with the Regulations works out to Rs. 26.42 and the allotment is proposed to be made at Rs. 27/- per share.

**5. Undertakings under Regulation 73(1)(f) and Regulation 73(1)(g) of SEBI (ICDR) Regulations, 2009:-**

The Company undertakes to re-compute / re-calculate the price of the equity shares and the equity warrants in terms of the provisions of SEBI ICDR Regulations, 2009 where it is required to do so.

The Company also undertakes that in case the price of Rs. 26.42 be required to be re-computed / re-calculated in terms of the provisions of SEBI ICDR Regulations, 2009, and if such re-computed / re-calculated price is higher than Rs. 27/-, the proposed allottee and the Company hereby undertake to pay the difference by way of bringing in cash at the time of such re-computation / re-calculation and the shares / warrants allotted shall be locked-in till the time the difference payable on account of re-computation / re-calculation is paid by the allottee.

**6. Shareholding Pattern:** The Shareholding Pattern giving present position as also considering full allotment of shares arising out of the securities issued as above, is given below:

| Sr. No.    | Category                             | Pre Preferential Issue (As on 21.08.2015) |                | Post Preferential Issue of 2,90,000 equity shares |                | Post 1 <sup>st</sup> Tranche conversion - 3,40,000 equity warrants |                | Post 2 <sup>nd</sup> Tranche conversion - 4,00,000 equity warrants |                |
|------------|--------------------------------------|---|----------------|---|----------------|--|----------------|--|----------------|
|            |                                      | No. of Shares                             | % of Holding   | No. of Shares                                     | % of Holding   | No. of Shares  | % of Holding   | No. of Shares  | % of Holding   |
| <b>(A)</b> | <b>Promoter Holding</b>              |   |                |   |                |  |                |  |                |
| <b>1.</b>  | <b>Indian</b>                        |   |                |   |                |  |                |  |                |
| a.         | Individual                           | 1770040                                   | 48.0996        | 2162040   | 53.0960        | 2400040  | 55.6861        | 2800040  | 59.4495        |
| b.         | Bodies Corporate                     | -   | -              | -   | -              | -  | -              | -  | -              |
| <b>2.</b>  | <b>Foreign</b>                       | -   | -              | -   | -              | -  | -              | -  | -              |
|            | <b>Sub Total (A)</b>                 | <b>1770040</b>                            | <b>48.0996</b> | <b>2162040</b>                                    | <b>53.0960</b> | <b>2400040</b>   | <b>55.6861</b> | <b>2800040</b>   | <b>59.4495</b> |
| <b>(B)</b> | <b>Public Holding</b>                |   |                |   |                |  |                |  |                |
| <b>1.</b>  | <b>Institutions</b>                  |   |                |   |                |  |                |  |                |
| a.         | Mutual Funds                         | -   | -              | -   | -              | -  | -              | -  | -              |
| b.         | Financial Institutions & Banks       | 11250                                     | 0.3057         | 11250   | 0.2763         | 11250  | 0.2610         | 11250  | 0.2389         |
| c.         | Insurance Companies                  | -   | -              | -   | -              | -  | -              | -  | -              |
| d.         | Foreign Financial Institutions       | -   | -              | -   | -              | -  | -              | -  | -              |
| <b>2.</b>  | <b>Non Institutions</b>              |   |                |   |                |  |                |  |                |
| a.         | Bodies Corporate                     | 363157                                    | 9.8685         | 363157  | 8.9185         | 363157   | 8.4260         | 363157   | 7.7104         |
| b.         | Individual holding shares upto 1lakh | 473741                                    | 12.8736        | 473741  | 11.6343        | 473741   | 10.9918        | 473741   | 10.0583        |
| c.         | Individual                           | 1013696                                   | 27.5465        | 1013696   | 24.8946        | 1013696  | 23.5199        | 1013696  | 21.5225        |



|     |   |                |                |                |                |                |                |                |                |
|-----|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|     | holding shares 1 lakh and above   |                |                |                |                |                |                |                |                |
| d.  | Clearing Members  | 6835           | 0.1857         | 6835           | 0.1679         | 6835           | 0.1586         | 6835           | 0.1451         |
| e.  | NRIs (Repatriable)  | 35699          | 0.9701         | 35699          | 0.8767         | 35699          | 0.8283         | 35699          | 0.7579         |
| f.  | NRIs (Non Repatriable)  | 1800           | 0.0489         | 1800           | 0.0442         | 1800           | 0.0418         | 1800           | 0.0382         |
| g.  | Relatives of Director   | -              | -              | -              | -              | -              | -              | -              | -              |
| h.  | Hindu Undivided Family (HUF)  | 3727           | 0.1013         | 3727           | 0.0915         | 3727           | 0.0865         | 3727           | 0.0791         |
| i.  | Trusts  | -              | -              | -              | -              | -              | -              | -              | -              |
|     | <b>Sub Total (B)</b>  | <b>1909905</b> | <b>51.9004</b> | <b>1909905</b> | <b>46.9040</b> | <b>1909905</b> | <b>44.3139</b> | <b>1909905</b> | <b>40.5505</b> |
| (C) | <b>Shares held by Custodians and against which Depository Receipts have been issued</b> | -              | -              | -              | -              | -              | -              | -              | -              |
|     | <b>Sub Total (C)</b>  | -              | -              | -              | -              | -              | -              | -              | -              |
|     | <b>Total (A+B+C)</b>  | <b>3679945</b> | <b>100</b>     | <b>4071945</b> | <b>100</b>     | <b>4309945</b> | <b>100</b>     | <b>4709945</b> | <b>100</b>     |

7. **Lock in - period:** The equity shares allotted on preferential basis to the Promoter shall be locked in for a period of 3 years from the date of trading approval for the said equity shares. The resulting equity shares arising on conversion of the equity warrants allotted on preferential basis to the Promoter shall be locked in for a period of 3 years from the date of trading approval for the resulting equity shares.

8. **Proposed time limit within which the allotment shall be completed:** Within 15 days from the date of passing this resolution or within 15 days from the date of receipt of any approval by any regulatory authority or Central Government, whichever is later as per SEBI (ICDR) Regulations, 2009.

9. **Identity of the proposed allottee(s), the natural persons who are the ultimate beneficial owners and percentage of post preferential issue capital that may be held by them:**

**Percentage of post preferential issue capital held by allottee after allotment of 2,90,000 equity shares**

| Sr. No. | Name of Proposed Allottees and Natural Persons who are the ultimate beneficial owners | Equity Shares Allotted | Post Preferential Issue Shareholding | % of Post Preferential Issue |
|---------|---|------------------------|--------------------------------------|------------------------------|
| 1.      | Mr. B.K. Tendulkar Promoter   | 2,90,000               | 14,65,900                            | 36.9249%                     |
|         | <b>Total</b>  | <b>2,90,000</b>        | <b>14,65,900</b>                     | <b>36.9249%</b>              |

Percentage of capital held by allottee after 1<sup>st</sup> tranche of conversion of equity warrants -  
Assuming 3,40,000 out of 7,40,000 equity warrants are converted in 1<sup>st</sup> tranche

| Sr. No. | Name of Proposed Allottees and Natural Persons who are the ultimate beneficial owners | Equity Shares Arising out of 1 <sup>st</sup> tranche of conversion | Post 1 <sup>st</sup> Tranche conversion Shareholding | % of Post 1 <sup>st</sup> Tranche conversion Shareholding |
|---------|---|--|--|---|
| 1.      | Mr. B.K. Tendulkar<br>Promoter  | 3,40,000   | 18,05,900  | 41.9008%  |
|         | <b>Total</b>  | <b>3,40,000</b>  | <b>18,05,900</b>                                     | <b>41.9008%</b>   |

Percentage of capital held by allottee after 2<sup>nd</sup> tranche of conversion of equity warrants -  
Balance 4,00,000 out of 7,40,000 equity warrants

| Sr. No. | Name of Proposed Allottees and Natural Persons who are the ultimate beneficial owners | Equity Shares Arising out of 1 <sup>st</sup> tranche of conversion | Post 2 <sup>nd</sup> Tranche conversion Shareholding | % of Post 2 <sup>nd</sup> Tranche conversion Shareholding |
|---------|---|--|--|---|
| 1.      | Mr. B.K. Tendulkar<br>Promoter  | 4,00,000   | 22,05,900  | 46.8349%  |
|         | <b>Total</b>  | <b>4,00,000</b>  | <b>22,05,900</b>                                     | <b>46.8349%</b>   |

## 10. Change in Control

There will be no change of control as the allottee is one of the promoters and the Managing Director of the company.

## 11. Auditors' Certificate: A copy of the Certificate of the Statutory Auditors of the Company in respect of Compliance of the SEBI ICDR Regulations shall be placed before the Shareholders.

The Company will ensure that the provisions as to lock-in and other conditions/prohibitions/restrictions contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 are complied with.

The approval of the shareholders is sought pursuant to section 42 and section 62(1)(c) of the Companies Act, 2013 and in the terms of the Listing Agreement executed with the Stock Exchange(s) as set out in the resolution.

The Board recommends the resolution set forth in item no. 5 for approval of members.

None of the Promoters, Directors, Key Managerial Personnel or their relatives is in any way concerned or interested in the said resolution except Mr. B.K. Tendulkar (being the Promoter, and proposed allottee)

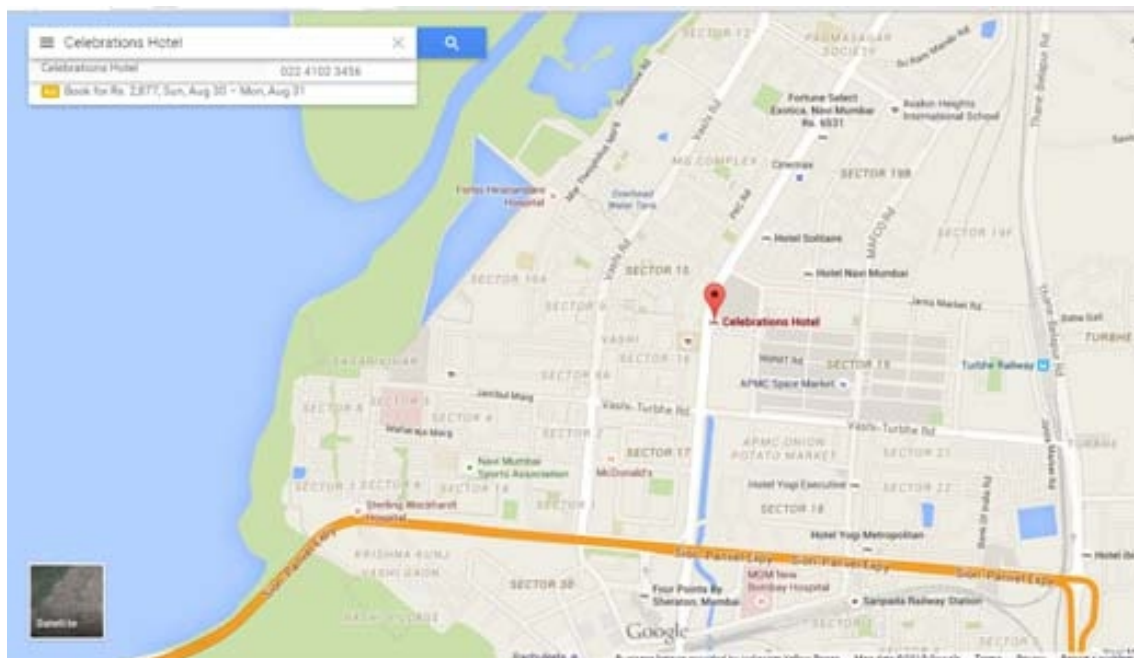
For and on behalf of the Board of Directors  
Maestros Electronics &  
Telecommunications Systems Limited

Date: 28/08/2015  
Place : Navi Mumbai

Sd/-

B. K. Tendulkar  
Managing Director  
DIN: 02448116  
Address: 601, Yashika Apartments,  
Plot No- 113, Shri Krishna Nagar,  
Borivli (E), Mumbai, 400066

Route Map:



Prominent Land Mark of Location of Meeting: Palm Beach Road

**BOARD'S REPORT**

**Dear Shareholders,**

Your Directors have pleasure in presenting their Sixth Annual Report together with the Audited Accounts of the Company for the period ended 31<sup>st</sup> March, 2015.

**1. Financial Highlights**

| <b>Particulars</b>  | <b>Current Year<br/>(2014-15)</b> | <b>Previous Year<br/>(2013-14)</b> |
|---|-----------------------------------|------------------------------------|
| Total Income  | 17,08,89,850                      | 14,68,53,899                       |
| Less: Expenditure   | 15,08,87,149                      | 13,36,21,045                       |
| Profit before Depreciation, Finance Charges and Tax                               | 2,00,02,701                       | 1,32,32,854                        |
| Less: Interest and Financial Charges  | 41,98,665                         | 25,36,107                          |
| Less: Depreciation  | 55,63,485                         | 38,70,569                          |
| Profit before Tax   | 102,40,551                        | 68,26,178                          |
| Less: Provision for Taxation  | 35,09,478                         | 10,87,250                          |
| Profit / (Loss) after tax   | 67,31,073                         | 57,38,928                          |
| Less: Prior Period Taxation Adjustment  | -                                 | -                                  |
| Add: Deferred Tax   | (1,64,199)                        | 5,14,513                           |
| Profit for the year   | 68,95,272                         | 52,24,415                          |
| Add: Balance brought forward from previous year                                   | 3,55,88,096                       | 3,03,63,681                        |
| Profit available for appropriation<br>(Appropriated as per Scheme of Arrangement) | -                                 | -                                  |
| Less: Appropriations Transfer to General Reserve                                  | -                                 | -                                  |
| Balance carried forward   | 4,24,83,368                       | 3,55,88,096                        |

**2. Review of Performance:**

The Companies growth considering the past few years performance was outstanding. The Company is giving its best for increasing profits from year to year. The total revenue from the operations for the year ended March 31, 2015 amounted to Rs.16.53 Crores, as against Rs.14.30 Crores in a previous financial year 2013-14, and has increased by 15.59% over the last year.

**Major events during the year:**

- Post completion of financial year 2013-14, the Company got listed on Bombay Stock Exchange under "T" segment vide: BSE Notice No: 20140613-09 dated 13<sup>th</sup> June 2014 with effect from 17<sup>th</sup> June 2014 with the scrip Code: 538401
- Preferential allotment

The Members at their Annual General Meeting held on 22<sup>nd</sup> December, 2014 passed a special resolution according their consent to the Board for issue and allotment of 4,00,000 equity shares of Rs. 10/- each at a premium of Rs.15/- per share to Mr. Narendra Mahajani, Mr. B.K. Tendulkar, Mrs. Vasundhara Atre, Mr. Vinayak Deshpande

and Mr. Bipin Kulkarni. on preferential allotment basis. Accordingly, the Board allotted 4,00,000 equity shares on 10<sup>th</sup> February, 2015. The Company has complied with all applicable provisions of the Act, listing agreement and SEBI regulation.

**Dividend:**

With a view to conserve resources for funding any future business requirements and expansion plans, your Directors have not recommended any dividend for the current period.

**Directors and Key Managerial Personnel:**

Mr. B. K. Tendulkar is the Chairman and Managing Director of the Company.

Mr. N. P. Mahajani and Dr. N. S. Paranjape are Non Executive Non Independent Directors of the Company.

Mr. Murlidharan Nair and Mrs. Vasundhara Atre are Non Executive Independent Directors of the Company.

During the year Mrs. Vasundhara Atre was designated and Mr. Ashish Inamdar was appointed as Non Executive Independent Directors for 5 years i.e. upto 21<sup>st</sup> December, 2019 pursuant to the sections 149, 152 and 160 of the Companies act, 2013 in the Annual General Meeting held on 22<sup>nd</sup> December, 2014.

During the year under consideration, Mr. Ashish Inamdar, Non Executive Independent Director has ceased to be associated with company from 5<sup>th</sup> March, 2015 due to the sad demise.

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Narendra Prabhakar Mahajani (DIN: 01048676), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. He has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. A brief resume of Mr. Narendra Prabhakar Mahajani, nature of his expertise in specific functional areas and names of the Companies in which he holds directorship and / or membership / chairmanship of Committees of the Board, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange/s, is given in the Corporate Governance Report which may be taken as forming part of this Report.

All Independent Directors have given declarations that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

None of the Non-Executive Directors had any pecuniary relationships or transactions with the Company which may have potential conflict with the interests of the Company at large.

**Committees of the Board:**

The Board of Directors of your Company has constituted the following committees in terms of the provisions of the Companies Act, 2013 and the Listing Agreement:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

The details regarding composition and meetings of these committees held during the year under review as also the meetings of the Board of Directors are given in the Corporate Governance Report which may be taken as forming part of this Report.

**Board Evaluation:**

In accordance with the provisions of the Companies Act, 2013 read with the rules made thereunder and the Listing Agreement, the Board has carried out formal annual evaluation of its own performance, performance of its various Committees and individual directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report which may be taken as forming part of this Report.

**Policy on Nomination and Remuneration of Directors, KMPs and other employees:**

In terms of sub-section 3 of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has laid down a policy on the selection and appointment of Directors and the Senior Management of the Company and their remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters.

**Extract of Annual Return:**

The extract of the Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013 in prescribed format is attached as "Annexure A" to this Report.

**Risk Management:**

The details of the risk management framework adopted and implemented by the Company are given in the Corporate Governance Report which may be taken as forming part of this Report.

**Adequacy of Internal Controls with reference to Financial Statements:**

The company is in process of building up processes and standard operating guidelines in all areas of operations. Standard processes ensure smooth functioning of activities and zero ambiguity in the mind of people who are actually executing the operations.

**Vigil Mechanism:**

The Company has established a vigil mechanism to enable directors and employees to report genuine concerns and grievances about any incident of violation / potential violation of law or the Code of Conduct laid down by the Company. The mechanism lays down the overall framework and guidelines for reporting genuine concerns. The details of this mechanism are given in the Corporate Governance Report which may be taken as forming part of this Report. These are also posted on the website of the Company.

**Particulars of loans, guarantees and investments:**

Full particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 are given separately in the financial statements of the Company which may be taken as forming part of this Report.

**Transactions with related parties:**

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in prescribed format are attached as "Annexure B" to this Report.

**Directors' Responsibility Statement:**

Pursuant to the requirements under 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profit of the Company for the year ended as on that date;
3. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. that the directors had prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2015, on a 'going concern' basis.
5. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;
6. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement, is given separately which may be taken as forming part as "Annexure C" to this Report.

**Report on Corporate Governance:**

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report and a Certificate from the Auditors of the Company, confirming compliance with the provisions of Corporate Governance, is attached "Annexure D" to this Report.

**Statutory Auditors and its Report:**

M/s DMKH & Co, Chartered Accountants, Mumbai, (Registration Number – 116886W) the Statutory Auditors of the Company hold office until the conclusion of the Annual General Meeting of the Company for the year ended 2018-2019 (subject to ratification of appointment by the members at every Annual General Meeting held after this Annual General Meeting)

The Statutory Auditors viz. DMKH & Co, Chartered Accountants, Mumbai, (Registration Number – 116886W) have confirmed for their ratification, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of Section 139 of the said Act.

**Observations of Statutory Auditors for the year ended 31<sup>st</sup> March 2015:**

**Point iv. of Annexure To Independent Auditors' Report :**

*In our opinion and according to the information and explanations given to us there are not adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to the purchase of inventory, sale of goods and services, Trade Payable and Trade Receivable. During the course of our audit, other than aforesaid we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.*



**Management Reply:**

The Company is in the process of setting up adequate internal control commensurate with the size of the Company and the nature of its business with regards to the purchase of inventory, sale of goods and services, Trade Payable and Trade Receivable.

**Point vii. (a). of Annexure to Independent Auditors' Report :**

*According to the information and explanation given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable except in case of deduction and depositing of Professional tax of Company.*

**Management Reply:**

The Company is regular in depositing its statutory dues with appropriate authorities and takes appropriate measures for the payment within the statutory period. However, due to pendency of some statutory approval and inadvertently delay, the Company could not comply with statutory provisions relating to professional tax. However, the Company ensures to comply with the said provisions in ensuing financial year.

**Secretarial Auditor and its Report:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Vijay Kumar Tiwari & Associates, Company Secretary in Practice to undertake the secretarial audit of the Company. The Secretarial Audit Report given by the Secretarial Auditor is attached as "Annexure E" to this Report.

**Observations of Secretarial Auditors for the year ended 31<sup>st</sup> March 2015 and Management Reply:**

**Observation:**

- a. *The Company has not appointed Internal Auditor which is required to be appointed under sec. 138 of the Companies Act, 2013.*
- b. *The Company has also not appointed Company Secretary in whole time employment of the Company and Chief Financial Officer (CFO) which is required to be appointed as per Sec. 203 of the Companies Act, 2013.*

**Management Reply:**

The Company is in the process of finding appropriate candidate for the position of Company secretary and Chief Financial Officer and it will ensure to appoint such persons at the earliest in ensuing financial year. Further, with regards to appointment of internal auditor as per sec. 138 of the Companies Act, 2013, Company will take adequate measures for the same.

**Public Deposits:**

During the year under review, your Company has not accepted or invited any deposits from public within the meaning of Chapter V of the Companies Act, 2013 and applicable rules made thereunder or any amendment or re-enactment thereof.

**Particulars of remuneration to employees, etc.:**

The particulars of remuneration to directors and employees and other related information required to be disclosed under Section 197 (12) of the Companies Act, 2013 and the Rules made thereunder are given in "Annexure F" to this Report.

**Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

**(a) Conservation of Energy Technology Absorption:**

1. Steps taken or impact on conservation of energy:

All the manufacturing facilities continued their efforts to reduce the specific energy consumption. Specific and total energy consumption is tracked at individual factory/block level and also at consolidated manufacturing level. Apart from regular practices and measures for energy conservation, many new initiatives were driven across the units. Some of them are mentioned below

- Use of natural Lightning and natural ventilation
- LED Lights in office in place of CFL in offices
- Encouraging Go Green Initiatives

2. The steps taken by the company for utilizing alternate sources of energy:

The manufacturing units continue to put in effort to reduce specific energy consumption. The Company is evaluating other sources of energy.

3. Capital investment on energy conservation equipments: N.A

(b) **Technology Absorption**

- Efforts made towards technology absorption, adaptation and innovation and Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc
- The Company is in Process of Developing the ways for technology absorption, adaptation and innovation.
- In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) : N.A
- Expenditure Incurred on Research and Development : N.A

(c) **Foreign Exchange Earnings and Outgo:**

The Information on foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows is furnished in the Notes to Accounts.

**Significant and material orders passed by the Regulators, etc.:**

There are no significant and material orders passed by the Regulators / Courts / Tribunals which would impact on the going concern status of the Company and its future operations.

**Acknowledgements:**

Your Directors take this opportunity to express their appreciation to the Investors, Banks, Financial Institutions, Clients, Vendors, Central and State Governments and other Regulatory Authorities for their assistance, continued support, co-operation and guidance.

**For and on behalf of the Board of Directors  
For Maestros Electronics & Telecommunications Systems Limited**

Sd/-

**B. K. Tendulkar**  
**Managing Director**

**Place:** Navi Mumbai

**Date:** 28.08.2015

**DIN :** 02448116

**Encl.: Annexure A to F**

## **ANNEXURES TO DIRECTORS REPORT**

|            |  |
|------------|--|
| Annexure A | Extract of Annual Return (MGT-9)                               |
| Annexure B | Related Party (AOC-2)  |
| Annexure C | Management Discussion and Analysis Report                      |
| Annexure D | Corporate Governance Report                                    |
| Annexure E | Secretarial Audit Report (MR-3)                                |
| Annexure F | Details of Employees drawing remuneration of more than 5 Lakhs |

**ANNEXURE -A to Directors Report**

**FORM NO. MGT - 9**

**EXTRACT OF ANNUAL RETURN  
(as on the financial year ended on 31.03.2015)**

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

**I. REGISTRATION AND OTHER DETAILS:**

|      |  |   |
|------|--|---|
| i.   | <b>CIN</b>   | U74900MH2010PLC200254 *   |
| ii.  | <b>Registration Date</b>   | 19/02/2010  |
| iii. | <b>Name of the Company</b>   | MAESTROS ELECTRONICS &<br>TELECOMMUNICATIONS SYSTEMS LIMITED  |
| iv.  | <b>Category / Sub-Category of the Company</b>                            | Public Company  |
| v.   | <b>Address of the Registered office and contact details</b>              | Plot No. EL/63, TTC Industrial Area, Electronic Zone, Mahape, Navi Mumbai-400701, Maharashtra.                        |
| vi.  | <b>Whether listed company</b>  | YES<br>Listed on BSE Ltd.   |
| vii. | <b>Name, Address and Contact details of Registrar and Transfer Agent</b> | Link Intime India Pvt. Ltd<br>C-13, Pannalal Silk Mills Compound,<br>L.B.S. Marg, Bhandup (West),<br>Mumbai - 400078. |

*\* The Company is listed but due to technical error of MCA Website CIN is starting with 'U' instead of 'L'*

*It will be sorted at the earliest.*

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

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

| <b>Sl. No.</b> | <b>Name and Description of main products / services</b>         | <b>NIC Code of the Product/ service</b> | <b>% to total turnover of the Company</b> |
|----------------|---|---|---|
| 1.             | Electronics and Telecommunication<br>(Industrial Panel Printer) | 26309                                   | 60.55                                     |
| 2.             | Telemedicine Instrument<br>(Healthcare Product)                 | 2660                                    | 39.45                                     |

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: N.A

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

i. Category-wise Share Holding :

| Category of Shareholders                               | No. of Shares held at the beginning of the year<br>01.04.2014 |              |                |                   | No. of Shares held at the end of the year<br>31.03.2015 |               |                |                   | % Change during the year* |
|--|---|--------------|----------------|-------------------|---|---------------|----------------|-------------------|---------------------------|
|  | Demat   | Physical     | Total          | % of Total Shares | Demat   | Physical      | Total          | % of Total Shares |                           |
| <b>A. PROMOTERS</b>                                    |   |              |                |                   |   |               |                |                   |                           |
| <b>(1) INDIAN</b>                                      |   |              |                |                   |   |               |                |                   |                           |
| a. Individual /HUF                                     | 1593237   | 26037        | 1619274        | 49.37             | 1593986   | 176036        | 1770022        | 48.10             | 1.27                      |
| b. Central Govt  | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| c. State Govt(s)                                       | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| d. Bodies Corporate                                    | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| e. Banks / FI  | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| f. Any Other   | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| <b>Sub-Total A (1) :</b>                               | <b>1593237</b>  | <b>26037</b> | <b>1619274</b> | <b>49.37</b>      | <b>1593986</b>  | <b>176036</b> | <b>1770022</b> | <b>48.10</b>      | <b>1.27</b>               |
| <b>(2) FOREIGN</b>                                     |   |              |                |                   |   |               |                |                   |                           |
| a. NRIs - Individuals                                  | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| b. Others - Individuals                                | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| c. Bodies Corporate                                    | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| d. Banks / FI  | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| e. Any Other   | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| <b>Sub-Total A(2) :</b>                                | <b>-</b>  | <b>-</b>     | <b>-</b>       | <b>-</b>          | <b>-</b>  | <b>-</b>      | <b>-</b>       | <b>-</b>          | <b>-</b>                  |
| <b>Total Shareholding of Promoters<br/>A=A(1)+A(2)</b> | <b>1593237</b>  | <b>26037</b> | <b>1619274</b> | <b>49.37</b>      | <b>1593986</b>  | <b>176036</b> | <b>1770022</b> | <b>48.10</b>      | <b>1.27</b>               |
| <b>B. Public Shareholding</b>                          |   |              |                |                   |   |               |                |                   |                           |
| <b>1. INSTITUTIONS</b>                                 |   |              |                |                   |   |               |                |                   |                           |
| a. Mutual Funds  | 37500   | -            | 37500          | 1.14              | -   | -             | -              | -                 | 1.14                      |
| b. Banks / FI  | 11250   | -            | 11250          | 0.34              | 11250   | -             | 11250          | 0.31              | 0.03                      |
| c. Central Govt.                                       | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| d. State Govt.(s)                                      | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| e. Venture Capital Funds                               | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |
| f. Insurance   | -   | -            | -              | -                 | -   | -             | -              | -                 | -                         |

|   |                |               |                |              |                |               |                |              |             |
|---|----------------|---------------|----------------|--------------|----------------|---------------|----------------|--------------|-------------|
| Companies   |                |               |                |              |                |               |                |              |             |
| g. FII's  | 179044         | -             | 179044         | 5.46         | -              | -             | -              | -            | 5.46        |
| h. Foreign<br>Venture Capital<br>Funds  | -              | -             | -              | -            | -              | -             | -              | --           | --          |
| i. Others (specify)   | -              | -             | -              | -            | -              | -             | -              | -            | -           |
| <b>Sub-Total B(1) :</b>   | <b>227794</b>  | <b>-</b>      | <b>227794</b>  | <b>6.95</b>  | <b>11250</b>   | <b>-</b>      | <b>11250</b>   | <b>0.31</b>  | <b>6.64</b> |
| <b>2. NON-<br/>INSTITUTIONS</b>   |                |               |                |              |                |               |                |              |             |
| a. Bodies<br>Corporate  | 361056         | 7500          | 368556         | 11.24        | 319756         | 45637         | 365393         | 9.93         | 1.31        |
| b. Individuals  |                |               |                |              |                |               |                |              |             |
| i. Individual<br>shareholders<br>holding nominal<br>share capital<br>upto Rs.1 lakh             | 363797         | 68122         | 431919         | 13.17        | 408129         | 62790         | 470919         | 12.80        | 0.37        |
| ii. Individual<br>shareholders<br>holding nominal<br>share capital in<br>excess of Rs.1<br>lakh | 523327         | 14392         | 537719         | 16.39        | 750820         | 264392        | 1015212        | 27.59        | 11.2        |
| <b>c. Others<br/>(specify)</b>  | <b>90955</b>   | <b>3728</b>   | <b>94683</b>   | <b>2.89</b>  | <b>41689</b>   | <b>5460</b>   | <b>47149</b>   | <b>1.28</b>  | <b>1.61</b> |
| i. Non Resident<br>Indians  | 35340          | -             | 35340          | 1.08         | 37500          | -             | 37500          | 1.02         | 0.06        |
| ii. Clearing<br>Members   | 54115          | -             | 54114          | 1.65         | 4189           | 1733          | 5922           | 0.16         | 1.49        |
| iii HUF   | -              | 3728          | 3728           | 0.11         | -              | 3727          | 3727           | 0.10         | 0.01        |
| iv. NRN   | 1500           | -             | 1500           | 0.05         | -              | -             | -              | -            | -           |
| <b>Sub-Total B(2) :</b>   | <b>1339135</b> | <b>93742</b>  | <b>1432877</b> | <b>43.69</b> | <b>1520394</b> | <b>378279</b> | <b>1898673</b> | <b>51.60</b> | <b>7.91</b> |
| <b>Total Public<br/>Shareholding<br/>B=B(1)+B(2) :</b>  | <b>1566929</b> | <b>93742</b>  | <b>1660671</b> | <b>50.63</b> | <b>1531644</b> | <b>378279</b> | <b>1909923</b> | <b>51.90</b> | <b>1.27</b> |
| <b>C. Shares held<br/>by<br/>Custodian for<br/>GDRs &amp; ADRs</b>                              | <b>-</b>       | <b>-</b>      | <b>-</b>       | <b>-</b>     | <b>-</b>       | <b>-</b>      | <b>-</b>       | <b>-</b>     | <b>-</b>    |
| <b>Grand Total<br/>(A+B+C) :</b>  | <b>3160166</b> | <b>119779</b> | <b>3279945</b> | <b>100</b>   | <b>3125630</b> | <b>554315</b> | <b>3679945</b> | <b>100</b>   | <b>-</b>    |

\*The change in % of shareholding during the year is an effect of increase in the paid-up share capital of the Company due to allotments and / or change in the number of shares held by each respective shareholder.

**ii. Shareholding of the Promoters :**

| Sl. No. | Shareholder's Name            | Shareholding at the beginning of the year<br>(01.04.2014) |                                  |  | Shareholding at the end of the year<br>(31.03.2015) |                                  |  | % change in shareholding during the year |
|---------|-------------------------------|---|----------------------------------|--|---|----------------------------------|--|--|
|         |                               | No. of Shares   | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |  |
| 1       | Mr. Krishna Kumar Menon       | 8,56,638  | 26.12                            | -  | 6638  | 0.18                             | -  | 25.94                                    |
| 2       | Dr Nitin Sadashiv Paranjpe    | 4,57,100  | 13.94                            | -  | 4,57,099  | 12.42                            | -  | 1.52                                     |
| 3       | Mr. Balkrishna Kamalakar      | 2,25,900  | 6.89                             | -  | 11,75,900   | 31.95                            | -  | 25.06                                    |
| 4       | Ms. Chitralekha K Menon       | 53,599  | 1.63                             | -  | 53,599  | 1.46                             | -  | 0.17                                     |
| 5       | Mr. B K Jhunjhunwala          | 6386  | 0.19                             | -0.02  | 6386  | 0.17                             | -  | 0.02                                     |
| 6       | Ms. Asha Jhunjhunwala         | 6326  | 0.19                             | -0.02  | 6326  | 0.17                             | -  | 0.02                                     |
| 7       | Mr. Vikas Jhunjhunwala        | 6293  | 0.19                             | -0.02  | 6292  | 0.17                             | -  | 0.02                                     |
| 8       | Ms. Anjali Jhunjhunwala       | 5475  | 0.17                             | -0.02  | 5475  | 0.15                             | -  | 0.02                                     |
| 9       | Mr. Nandlal Bhimrajka         | 657   | 0.02                             | -0.15  | 657   | 0.02                             | -  | -  |
| 10      | Mr. Bakhle Dhananjay Sadashiv | 900   | 0.03                             | -0.11  | 900   | 0.02                             | -  | 0.01                                     |
| 11      | Mr. Narendra Mahajani         | 750   | 0.02                             | -  | 50,750  | 1.38                             | -  | 1.36                                     |
|         | <b>Total</b>                  | <b>16,20,024</b>  | <b>49.39</b>                     | <b>-</b>   | <b>17,70,022</b>                                    | <b>48.10</b>                     | <b>-</b>   | <b>1.29</b>                              |

**iii. Change in Promoters' Shareholding**

| Sl. No. | Mr. Krishna Kumar Menon  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 1       | At the beginning of the year   | 8,56,638                                  | 26.12                            | 8,56,638                                | 26.12                    |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>Transfer | 8,50,000                                  | 25.94                            | 6638                                    | 0.18                     |
|         | At the End of the year   | 6638                                      | 0.18                             | 6638                                    | 0.18                     |



| Sl. No. | Dr. Nitin Sadashiv Paranjpe  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 2       | At the beginning of the year   | 4,57,099                                  | 13.94                            | 4,57,099                                | 13.94                    |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 1.52                             | 0                                       | 1.52                     |
|         | At the End of the year   | 4,57,099                                  | 12.42                            | 4,57,099                                | 12.42                    |

| Sl. No. | Mr. Balkrishna Kamalakar Tendulkar   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 3       | At the beginning of the year   | 2,25,900                                  | 6.89                             | 2,25,900                                | 6.89                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>Transfer | 8,50,000                                  | 32.80                            | 1075900                                 | 32.80                    |
|         | 10/02/2015 - Preferential Allotment  | 1,00,000                                  | 31.95                            | 11,75,900                               | 31.95                    |
|         | At the End of the year   | 11,75,900                                 | 31.95                            | 11,75,900                               | 31.95                    |

| Sl. No. | Ms. Chitrlekha K Menon   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 4       | At the beginning of the year   | 53,599                                    | 1.63                             | 53,599                                  | 1.63                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 0.17                             | 0                                       | 0.17                     |
|         | At the End of the year   | 53,599                                    | 1.46                             | 53,599                                  | 1.46                     |

| Sl. No. | Mr. B K Jhunjunwala  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 5       | At the beginning of the year   | 6386                                      | 0.19                             | 6386                                    | 0.19                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 0.02                             | 0                                       | 0.02                     |
|         | At the End of the year   | 6386                                      | 0.17                             | 6386                                    | 0.17                     |

| Sl. No. | Ms. Asha Jhunjunwala   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 6       | At the beginning of the year   | 6326                                      | 0.19                             | 6326                                    | 0.19                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 0.02                             | 0                                       | 0.02                     |
|         | At the End of the year   | 6326                                      | 0.17                             | 6326                                    | 0.17                     |

| Sl. No. | Mr. Vikas Jhunjunwala  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 7       | At the beginning of the year   | 6292                                      | 0.19                             | 6292                                    | 0.19                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 0.02                             | 0                                       | 0.02                     |
|         | At the End of the year   | 6292                                      | 0.17                             | 6292                                    | 0.17                     |

| Sl. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 8       | Ms. Anjali Jhunjhunwala  |   |                                  |   |                          |
|         | At the beginning of the year   | 5475                                      | 0.17                             | 5475                                    | 0.17                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 0.02                             | 0                                       | 0.02                     |
|         | At the End of the year   | 5475                                      | 0.15                             | 5475                                    | 0.15                     |

| Sl. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 9       | Mr. Bakhle Dhananjay Sadashiv  |   |                                  |   |                          |
|         | At the beginning of the year   | 900                                       | 0.03                             | 900                                     | 0.03                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 0.01                             | 0                                       | 0.01                     |
|         | At the End of the year   | 900                                       | 0.02                             | 900                                     | 0.02                     |

| Sl. No. |   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|---|---|----------------------------------|---|--------------------------|
|         |   | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 10      | Mr. Narendra Mahajani   |   |                                  |   |                          |
|         | At the beginning of the year  | 750                                       | 0.02                             | 750                                     | 0.02                     |
|         | Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year.<br>10/02/2015 - Preferential Allotment | 50,000                                    | 1.36                             | 50,750                                  | 1.38                     |
|         | At the End of the year  | 50,750                                    | 1.38                             | 50,750                                  | 1.38                     |

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

| Sl. No. |  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                          |
|---------|--|---|----------------------------------|---|--------------------------|
|         |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the |
| 1.      | Mr. Arwa Umesh   |   |                                  |   |                          |
|         | At the beginning of the year   | 11155                                     | 0.34                             | 11155                                   | 0.34                     |
|         | Date wise Increase(+) / Decrease (-) in Shareholding during the year.<br>Open Market Trading | 89458                                     | 2.39                             | 100613                                  | 2.73                     |
|         | At the End of the year   | 100613                                    | 2.73                             | 100613                                  | 2.73                     |
| 2.      | Mr. Vinayak Deshpande  |   |                                  |   |                          |
|         | At the beginning of the year   | -   | -                                |   |                          |
|         | Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>Open Market        | 7447                                      | 0.20                             | 7447                                    | 0.20                     |
|         | 10/02/2015 - Preferential Allotment  | 1,00,000                                  | 2.72                             | 107447                                  | 2.92                     |
|         | At the End of the year   | 107447                                    | 2.92                             | 107447                                  | 2.92                     |
| 3.      | Mr. Bipin Kulkarni   |   |                                  |   |                          |
|         | At the beginning of the year   | -   | -                                |   |                          |
|         | Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>Open Market        | 4298                                      | 0.12                             | 4298                                    | 0.12                     |
|         | 10/02/2015 - Preferential Allotment  | 1,00,000                                  | 2.71                             | 104298                                  | 2.83                     |
|         | At the End of the year   | 104298                                    | 2.83                             | 104298                                  | 2.83                     |
| 4.      | Bonanza Portfolio Ltd  |   |                                  |   |                          |
|         | At the beginning of the year   | 78750                                     | 2.40                             | 78750                                   | 2.40                     |
|         | Date wise Increase (+) / Decrease (-) in Shareholding during the year.                       | 0   | 0.26                             | 0                                       | 0.26                     |
|         | At the End of the year   | 78750                                     | 2.14                             | 78750                                   | 2.14                     |
| 5.      | Evermore Commodity Brokers Private Limited   |   |                                  |   |                          |
|         | At the beginning of the year   | 60000                                     | 1.83                             | 60000                                   | 1.83                     |

|     |  |       |      |       |      |
|-----|--|-------|------|-------|------|
|     | Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0     | 0.2  | 0     | 0.2  |
|     | At the End of the year   | 60000 | 1.63 | 60000 | 1.63 |
| 6.  | Sunglow Fininvest Pvt Ltd  |       |      |       |      |
|     | At the beginning of the year   | 56250 | 1.71 | 56250 | 1.71 |
|     | Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0     | 0.18 | 0     | 0.18 |
|     | At the End of the year   | 56250 | 1.53 | 56250 | 1.53 |
| 7.  | Ms. Gayatri Agarwal  |       |      |       |      |
|     | At the beginning of the year   | 51677 | 1.57 | 51677 | 1.57 |
|     | Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>(Transfer)                                     | 0     | 0.17 | 0     | 0.17 |
|     | At the End of the year   | 51677 | 1.40 | 51677 | 1.40 |
| 8.  | Ms. Saroj Jugal Maheshwari   |       |      |       |      |
|     | At the beginning of the year   | 37500 | 1.14 | 37500 | 1.14 |
|     | Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>(Transfer)                                     | 2453  | 0.05 | 2453  | 0.05 |
|     | At the End of the year   | 39953 | 1.09 | 39953 | 1.09 |
| 9.  | Ms. Megan Elaine Therese Correa  |       |      |       |      |
|     | At the beginning of the year   | -     | -    | -     | -    |
|     | Date wise Increase (+) / Decrease (-) in Shareholding during the year.   |       |      |       |      |
|     | Open Market  | 39475 | 1.07 | 39475 | 1.07 |
|     | At the End of the year   | 39475 | 1.07 | 39475 | 1.07 |
| 10. | Mr. Jugal Kishore Maheshwari   |       |      |       |      |
|     | At the beginning of the year   | 36652 | 1.12 | 36652 | 1.12 |

|  |       |      |       |      |
|--|-------|------|-------|------|
| Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0     | 0.12 | 0     | 0.12 |
| At the End of the year   | 36652 | 1.00 | 36652 | 1.00 |

**v. Shareholding of Directors and Key Managerial Personnel\*:**

| Sl. No.                | Mr. Nitin Sadashiv Paranjape   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|------------------------|--|---|----------------------------------|---|----------------------------------|
|                        |  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the         |
| 1.                     | At the beginning of the year   | 4,57,099                                  | 13.94                            | 4,57,099                                | 13.94                            |
|                        | Date wise Increase (+) / Decrease (-) in Shareholding during the year.<br>(Change in % Due to change in paid Up capital) | 0   | 1.52                             | 1                                       | 1.52                             |
|                        | At the End of the year   | 4,57,099                                  | 12.42                            | 4,57,099                                | 12.42                            |
|                        | Mr. Narendra Prabhakar Mahajani  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the         |
| 2.                     | At the beginning of the year   | 750                                       | 0.02                             | 750                                     | 0.02                             |
|                        | Date wise Increase (+) / Decrease (-) in Shareholding during the year.   |   |                                  |   |                                  |
|                        | 10/02/2015 - Preferential Allotment  | 50,000                                    | 1.36                             | 50,000                                  | 1.38                             |
|                        | At the End of the year   | 50,750                                    | 1.38                             | 50,750                                  | 1.38                             |
| 3.                     | Mr. Balkrishna Kamalakar Tendulkar   | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the Company |
|                        | At the beginning of the year   | 2,25,900                                  | 6.89                             | 2,25,900                                | 6.89                             |
|                        | Date wise Increase (+) / Decrease (-) in Shareholding during the year.   |   |                                  |   |                                  |
|                        | Trasfer  |   |                                  |   |                                  |
|                        | 10/02/2015 - Preferential Allotment  | 8,50,000                                  | 32.80                            | 1075900                                 | 32.80                            |
|                        | 1,00,000   | 31.95                                     | 11,75,900                        | 31.95                                   |                                  |
| At the End of the year | 11,75,900  | 31.95                                     | 11,75,900                        | 31.95                                   |                                  |
| 4.                     | Ms. Vasundhara Atre  | No. of shares                             | % of total shares of the Company | No. of shares                           | % of total shares of the         |
|                        | At the beginning of the year   | -   | -                                | -                                       | -                                |

|    |  |                      |   |                      |   |
|----|--|----------------------|---|----------------------|---|
|    | Date wise Increase (+) / Decrease (-) in Shareholding during the year<br>10/02/2015 Preferential Allotment | 50,000               | 1.36                                    | 50,000               | 1.36                                    |
|    | At the End of the year   | 50,000               | 1.36                                    | 50,000               | 1.36                                    |
| 5. | Mr. Muralidharan Karathedathuraman Nair  | <b>No. of shares</b> | <b>% of total shares of the Company</b> | <b>No. of shares</b> | <b>% of total shares of the Company</b> |
|    | At the beginning of the year   | -                    | -                                       | -                    | -                                       |
|    | Date wise Increase [+]/ Decrease [-] (Market sale) in Shareholding during the year.                        | -                    | -                                       | -                    | -                                       |
|    | At the End of the year   | -                    | -                                       | -                    | -                                       |

**V. INDEBTEDNESS:**

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

|  | <b>Secured Loans excluding deposits</b> | <b>Unsecured Loans</b> | <b>Deposits</b> | <b>Total Indebtedness</b> |
|--|---|------------------------|-----------------|---------------------------|
| <b>Indebtedness at the beginning of the financial year</b> |   |                        |                 |                           |
| i) Principal Amount  | 2,36,71,148                             | 81,23,869              | -               | 3,17,95,017               |
| ii) Interest due but not paid                              | -                                       | -                      | -               | -                         |
| iii) Interest accrued but not due                          | -                                       | -                      | -               | -                         |
| <b>Total (i+ii+iii)</b>                                    | <b>2,36,71,148</b>                      | <b>81,23,869</b>       | <b>-</b>        | <b>3,17,95,017</b>        |
| <b>Change in Indebtedness during the financial year</b>    |   |                        |                 |                           |
| • Addition   | 17,39,63,636                            | -                      | -               | 17,39,63,636              |
| • Reduction  | 15,77,07,669                            | 81,23,869              | -               | 15,77,07,669              |
| <b>Net Change</b>  | <b>1,62,55,967</b>                      | <b>-</b>               | <b>-</b>        | <b>1,62,55,967</b>        |
| <b>Indebtedness at the end of the financial year</b>       |   |                        |                 |                           |
| i) Principal Amount  | 3,99,27,115                             | -                      | -               | 3,99,27,115               |
| ii) Interest due but not paid                              | -                                       | -                      | -               | -                         |
| iii) Interest accrued but not due                          | -                                       | -                      | -               | -                         |
| <b>Total (i+ii+iii)</b>                                    | <b>3,99,27,115</b>                      | <b>-</b>               | <b>-</b>        | <b>3,99,27,115</b>        |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

| Sl. No. | Particulars of Remuneration  | Mr. Balkrishna Kamalakar Tendulkar | Total Amount |
|---------|--|------------------------------------|--------------|
| 1.      | Gross Salary   | 24,00,000                          | 24,00,000    |
|         | a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 11,01,600                          | 11,01,600    |
|         | b. Value of perquisites under Section 17(2) of Income Tax Act, 1961                | 12,98,400                          | 12,98,400    |
|         | c. Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961           |                                    |              |
| 2.      | Stock Options  | Nil                                | Nil          |
| 3.      | Sweat Equity   | Nil                                | Nil          |
| 4.      | Commission   | Nil                                | Nil          |
|         | - as a % of Profit   | Nil                                | Nil          |
|         | - others, specify  | Nil                                | Nil          |
| 5.      | Others, please specify   | Nil                                | Nil          |
|         | Ceiling as per the Act   | Rs,30,00,000                       | Rs,30,00,000 |

B. Remuneration to other Directors: N.A

| Sl. No. | Particulars of Remuneration                    | Total Amount |
|---------|--|--------------|
| 1.      | <b>INDEPENDENT DIRECTORS</b>                   |              |
|         | - Fee for attending Board / Committee Meetings | Nil          |
|         | - Commission                                   | Nil          |
|         | - Others, please specify                       | Nil          |
|         | <b>Total (1)</b>                               | Nil          |
| 2.      | <b>OTHER NON-EXECUTIVE DIRECTORS</b>           |              |
|         | - Fee for attending Board / Committee Meetings | Nil          |
|         | - Commission                                   | Nil          |
|         | - Others, please specify                       | Nil          |
|         | <b>Total (2)</b>                               | Nil          |
|         | <b>Total B = (1+2)</b>                         | Nil          |
|         | <b>Total Managerial Remuneration (A + B)</b>   | Nil          |
|         | <b>Overall Ceiling as per the Act</b>          | -            |



C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD: N.A

| Sl. No. | Particulars of Remuneration  | Total Amount |
|---------|--|--------------|
| 1.      | Gross Salary   | Nil          |
|         | a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | Nil          |
|         | b. Value of perquisites under Section 17(2) of Income Tax Act, 1961                | Nil          |
|         | c. Profit in lieu of salary under Section 17(3) of Income Tax Act, 1961            | Nil          |
| 2.      | Stock Options  | Nil          |
| 3.      | Sweat Equity   | Nil          |
| 4.      | Commission   | Nil          |
|         | - as a % of Profit   | Nil          |
|         | - others, please specify   | Nil          |
| 5.      | Others, please specify   | Nil          |
|         | <b>Total</b>   | Nil          |

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**ANNEXURE -B to Directors Report  
Form No. AOC-2**

(Pursuant to *clause (h) of sub-section (3) of section 134* of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)  
**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

**1. Details of contracts or arrangements or transactions not at arm's length basis - Not Applicable**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis - Not Applicable**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

**For and on behalf of the Board of Directors**

**For Maestros Electronics & Telecommunications Systems Limited**

**Sd/-**

**B. K. Tendulkar  
Managing Director**

**DIN: 02448116**

Date: 28.08.2015

Place: Navi Mumbai

**ANNEXURE -C to Directors Report**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**INDUSTRY STRUCTURE AND DEVELOPMENT**

The performance of your Company during the year under report has shown the good improvement over the previous year. The total revenue from the operations for the year ended March 31, 2015 amounted to Rs.16.53 crores, as against Rs.14.30 crores, has increased by 15.59% over the last year as last year's revenue.

**OPPORTUNITIES & THREATS**

The most important threat continues to be competition from low cost imported products. Manpower costs are rising as many large companies are mopping the available talent pool supply of which is limited. Thus for small and mid-range companies, retaining high quality manpower is a concern.

**SEGMENT WISE OPERATIONAL PERFORMANCE**

Your Company has two main segments of business viz. Electronics & Instrumentation (E&T) and Telemedicine.. The sale of Telemedicine Division has increased substantially. During the year under review your Company has upgraded its existing products with better technology and features.

**OUTLOOK:**

Your Company, keeping pace with the overall market scenario has grown significantly. The Management expects to continue this trend in the years to come, subject to favorable market conditions, and stable economic policies.

**RISKS AND CONCERNS:**

All the promises which management is making, depends on the strength of the shareholders and the confidence, which they have bestowed on the management.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has well established and adequate systems for internal control to provide reasonable assurance that all assets are safeguarded; transactions are authorized and reported correctly.

**DISCUSSION ON FINANCIAL PERFORMANCE:**

The Company's Profit Before Tax (PBT) has grown significantly from Rs. 68,26,178/- during F.Y. 2013-14 to Rs. 1,02,40,551/- during F.Y. 2014-15. Accordingly, the Company's Profit After Tax (PAT) has also grown significantly from Rs. 52,24,415/- during F.Y. 2012-13 to Rs. /- during F.Y. 2014-15. The Company expects to maintain this trend of growth in future years also.

**HUMAN RESOURCES**

Your Company continuously endeavors to improve the work environment for its employees. Competitive compensation package, innovative and challenging environment to work, transportation facilities, etc., are some of the steps taken by the Company for the welfare of its employees.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion & Analysis Report describing the Company's expectations, opinion, and predictions may please be considered as "forward looking statements" only. Actual results could differ from those expressed or implied. Company's operations should be viewed in light of changes in market conditions, prices of raw materials, economic developments in the country and such other factors.

**For Maestros Electronics & Telecommunications Systems Limited**

**Sd/-**

**B. K. Tendulkar**

**Managing Director**

**DIN: 02448116**

Date: 28.08.2015

Place: Navi Mumbai

**ANNEXURE -D to Directors Report**

## **Report on Corporate Governance**

Revised Clause 49 of the Listing Agreement is not mandatory to the Company however, the Company has voluntarily disclosed the Compliance to the best extent possible and accordingly the Corporate Governance Report, together with the Auditors Certificate on compliance with the conditions of Corporate Governance as laid down are presented in the Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2015.

### **Company's Philosophy on the Code of Corporate Governance**

Transparency and accountability are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way we do our business. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation.

We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code of Conduct inspires us to set standards which not only meet the applicable legislation but also exceed them in many areas of our business operations.

The Company's philosophy on Corporate Governance is concerned with the ethics, values and morals of the Company and its directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

### **Compliance with Clause 49 of the Listing Agreement**

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. In terms of Clause 49 of the Listing Agreement executed with the stock exchanges, the details of compliance for the year ended 31<sup>st</sup> March, 2015, are as follows:

#### **I. Board of Directors**

##### **1. Composition and Category**

The Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Independent Directors on the Board are eminent professionals from varied fields having wide range of skills and expertise. The diversity in the Board's profile brings about a

harmonious blend in the quality of the Board's decisions and the corporate governance. Due to the sad demise of Mr Ashish Inamdar, the Board is not duly constituted however the company is in search of Independent director.

As at 31<sup>st</sup> March, 2015, the Board consisted of 5 members. The composition and category of the directors on the Board of the Company are as under:

| <b>Sr. No.</b> | <b>Names of Directors</b>               | <b>Category</b>                      |
|----------------|---|--------------------------------------|
| 1.             | Mr. Balkrishna Kamalakar Tendulkar      | Chairman & Managing Director         |
| 2.             | Mr. Muralidharan Karathedathuraman Nair | Non-Executive & Independent Director |
| 3.             | Mrs. Vasundhara Atre                    | Non-Executive & Independent Director |
| 4.             | Mr. Narendra Prabhakar Mahajani         | Non-Executive Director               |
| 5.             | Mr. Nitin Sadashiv Paranjape            | Non-Executive Director               |

All the Directors of the Company have made the requisite disclosures as mandated under the Companies Act, 2013 / Listing Agreement which were placed before the Board.

## **2. Role of Board of Directors**

The primary role of the Board is to protect and enhance shareholders' value and optimise long term value by providing the management with guidance and strategic direction on shareholders' behalf. The Board's mandate is to provide the strategic guidance to the company, ensure effective monitoring of the management and should be accountable to the company and the shareholders. The day-to-day operations are conducted by the Managing Director of the Company, under the supervision and control of the Board of Directors.

The Board meets at least once a quarter to review the quarterly performance and the financial results of the Company. The Board Meetings are scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The members of the Board have complete access to all the information of the Company.

In case of a special and urgent business need, the Board's approval is taken by circulating the resolution, which is confirmed in the subsequent Board Meeting.

To enable the Board to discharge its responsibilities effectively, the members of the

Board are apprised at every Board Meeting on the overall performance of the Company. Senior management is invited to attend the Board Meetings as and when required so as to provide additional inputs to the items being discussed by the Board. The minutes of each Board Meeting are recorded in the minutes book as mandated by the legal provisions in this regard. The minutes of the Board Meetings of subsidiary companies are tabled at the Board Meetings. The Board periodically reviews the statement of significant transactions and arrangements entered into by the subsidiary companies.

### **3. Board's Induction**

Upon appointment of a new Independent Director, the Company issues a formal letter of appointment which inter alia sets out in detail, the terms and conditions of appointment, their duties, responsibilities, expected time commitments etc. The terms and conditions of their appointment are disclosed on the website of the company.

A formal induction program is conducted for the newly appointed Director wherein they are familiarized with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The main objective behind the above initiatives is to acquaint the Director with the sphere of operations of the Company and to enable him to effectively fulfill his roles and responsibilities.

On coming into effect of the latest amendments in clause 49 of the Listing Agreement, a familiarization programme for Independent Directors was held by the Board of Directors of the Company.

### **4. Evaluation of the Board's Performance:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. The evaluation exercise was carried out on various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of the duties and obligations, governance issues, etc.

Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman by the Nomination and Remuneration committee as per the structured mechanism who were evaluated on following parameters / criteria:

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,
- Independence of behaviour and judgment,
- Observance of Code of Conduct, and
- Impact and influence.

The evaluation of the Independent Directors was carried out by the entire Board (excluding the director being evaluated). Evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at its meeting specially convened for the purpose.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

#### **5. Details of Directors being appointed and re-appointed**

As per the Companies Act, 2013 and the Articles of Association of the Company, not less than two-third of the total number of directors (excluding Independent Directors) should retire by rotation. One third of retiring directors are required to retire every year by rotation and if eligible, the director qualifies for re-appointment.

Mr. Narendra Prabhakar Mahajani (DIN: 01048676) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

A brief resume of Mr. Narendra Prabhakar Mahajani being re-appointed at the forthcoming Annual General Meeting:

|                             |  |
|-----------------------------|--|
| <b>Name of the Director</b> | Mr. Narendra Prabhakar Mahajani        |
| Date of Birth               | 03/08/1968                             |
| Date of Appointment         | 19/02/2010                             |
| Educational Qualifications  | Chartered Accountant & Cost Accountant |
| Shareholding                | 50,750                                 |



Companies in which holds Directorship

|     |   |
|-----|---|
| 1.  | Niagara financial consultants private limited       |
| 2.  | Green back commodities private limited              |
| 3.  | Quantsoft solutions private limited                 |
| 4.  | Osiris it projects private limited                  |
| 5.  | Osiris digital media private limited                |
| 6.  | Osiris online private limited                       |
| 7.  | Greenback financial and fx services private limited |
| 8.  | Maxoffice services private limited                  |
| 9.  | Osiris prism infrasolution private limited          |
| 10. | Audio compass (india) private limited               |
| 11. | Lifecycle career avenues private limited            |
| 12. | Osiris management ideas private limited             |
| 13. | Sky industries limited                              |
| 14. | Quantsoft engineering solutions private limited     |

## 6. Meetings

During the year under review, the Board of Directors had 11 Meetings; the intervening gap between 2 meetings was in conformity with the requirements of Listing Agreement and that of the Companies Act, 2013. All these meetings were held in Navi Mumbai.

All the meetings were conducted as per the structured agenda which was circulated seven days prior to the Board Meeting. The Board reviewed compliance report of all the laws applicable to the Company.

The attendance record of the Directors at the Board Meetings during the financial year 2014-15 and at the last AGM is as under:-

| Name of the Director | No. of Board meetings attended during the financial year 2014-15 | Attendance at the last AGM held on 22 <sup>nd</sup> December, 2014 | No. of Director ships | No. of Committee <sup>a</sup> Memberships <sup>b</sup> in Public Limited Companies |               |
|----------------------|--|--|-----------------------|--|---------------|
|                      |  |  |                       | Memberships  | Chairmanships |
| Mr. B. K. Tendulkar  | 11   | Present  | 1                     | NA   | NA            |
| Mr. Nitin Paranjape  | 11   | Present  | 2                     | NA   | NA            |

| Name of the Director  | No. of Board meetings attended during the financial year 2014-15 | Attendance at the last AGM held on 22 <sup>nd</sup> December, 2014 | No. of Director ships | No. of Committee <sup>a</sup> Memberships <sup>b</sup> in Public Limited Companies |               |
|-----------------------|--|--|-----------------------|--|---------------|
|                       |  |  |                       | Memberships  | Chairmanships |
| Mr. Narendra Mahajani | 11   | Present  | 14                    | NA   | NA            |
| Mrs. Vasundhara Atre  | 11   | Present  | 1                     | NA   | NA            |
| Mr. Murlidharan Nair  | 11   | Absent   | 2                     | NA   | NA            |

- (a) Memberships/Chairmanships in the Audit Committees and Stakeholder's Relationship Committees are only considered.  
 (b) Membership of Committees includes Chairmanship, if any.

The Board granted Leave of Absence to the Director(s) who were absent at the respective Board and Committee Meeting/s at their request.

Separate Meeting of Independent Directors:

As stipulated by the Code for Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 25/03/2015 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors expressed satisfaction over the above evaluation parameters.

**7. Other Directorships, etc.**

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Directors acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he is a Director. The details of Directorship (calculated as per provisions of Section 165 of the Companies Act, 2013) and Committee Chairmanships / Memberships held by the directors as on 31<sup>st</sup> March, 2015 (calculated as per provisions of Clause 49 of the Listing Agreement) are as given above.

## **II. Committees of the Board**

### **1. Audit Committee**

The object of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosure and oversee the integrity and quality of the financial reporting. The Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company.

#### **Terms of Reference**

The Terms of Reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 177 of the Companies Act, 2013.

#### **Composition**

The Audit Committee presently comprises of 3 Directors, 2 of whom are Non-Executive, Independent Directors and 1 is Non-Executive, Non Independent Director. The Audit Committee is constituted in accordance with the provisions of Clause 49 (III) (A) of the Listing Agreement and Section 177 of the Companies Act, 2013. All the members of the Committee are financially literate and have adequate accounting and financial management expertise. The Chairman of the Committee, Mrs. Vasundhara Atre is an Independent, Non-Executive Director.

Senior executives are invited to participate in the meetings of the Committee as and when necessary. The quorum for the Audit Committee meetings is two Independent Directors.

#### **Meetings and Attendance**

During the year under review, the Committee met 5 (Five) times on 23<sup>rd</sup> June, 2014, 14<sup>th</sup> August, 2014, 13<sup>th</sup> November, 2014, 25<sup>th</sup> November, 2014 and 10<sup>th</sup> February, 2015. The following table provides the composition of the Audit Committee and attendance of members at the meetings of the Committee held during the financial year 2014-15:

| Members              | Chairman/Member | Category                                 | No. of meetings attended |
|----------------------|-----------------|--|--------------------------|
| Mrs. Vasundhara Atre | Chairman        | Non Executive & Independent Director     | 5                        |
| Mr. Murlidharan Nair | Member          | Non Executive & Independent Director     | 5                        |
| Mr. Nitin Paranjape  | Member          | Non Executive & Non Independent Director | 5                        |

The minutes of the Audit Committee, once confirmed and signed by the Chairman, are noted by the Board of Directors in the subsequent Board Meeting.

Mrs. Vasundhara Atre, Chairman of the Audit Committee answered queries raised by the shareholders at the latest Annual General Meeting of the Company held on 22<sup>nd</sup> December, 2014.

### **Statutory Auditors**

The Company's Statutory Auditors are:

M/s. DMKH & Co., Chartered Accountants, Mumbai  
(Registration Number - 116886W)

## **2. Stakeholder's Relationship Committee**

The Board has Stakeholders Relationship Committee for speedy disposal of Grievances/ complaints relating to Shareholders/investors. The Committee

### **Terms of Reference**

Terms of Reference of the Committee are in line with Companies Act, 2013 and the Listing Agreement to specifically include the redressal of grievances of shareholders, debenture holders and other security holders and resolving their grievances including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

The Company maintains continuous interaction with the Registrar and Transfer Agent of the Company (RTA) and takes proactive steps and actions for resolving complaints/queries of the shareholders/investors. The Committee oversees the performance of the RTA and recommends measures for overall improvement in the quality of investor services. Mr. B.K. Tendulkar, has been appointed as the Compliance Officer.

### **Composition**

At present, the Stakeholder's Relationship Committee consists of 3 (Three) Directors, 2 (Two) of whom are Non- Executive Independent Directors and 1 (One) is Non- Executive Non Independent Director. Mr. Narendra Mahajani (Non Executive & Non Independent Director) is the Chairman of the Committee. The Company has appointed M/s Link Intime India Pvt. Ltd to act as Registrar and Transfer Agent of the Company.

### **Meetings and Attendance**

During the year under review, the Committee met 3 (Three) times on 14th August, 2014, 25<sup>th</sup> November, 2014, 10<sup>th</sup> February, 2015. The following table provides the composition of the Stakeholder's Relationship Committee and attendance of the members at the meetings of the Committee held during the financial year 2014-15:

| <b>Members</b>       | <b>Chairman<br/>Member</b> | <b>Category</b>                                | <b>No. of meetings<br/>attended</b> |
|----------------------|----------------------------|--|-------------------------------------|
| Mr.Narendra Mahajani | Chairman                   | Non Executive &<br>Non Independent<br>Director | 3                                   |
| Mr.Murlidharan Nair  | Member                     | Non Executive &<br>Independent<br>Director     | 3                                   |
| Mrs. Vasundhara Atre | Member                     | Non Executive &<br>Independent<br>Director     | 3                                   |

The minutes of the Stakeholder's Relationship Committee, once confirmed and signed by the Chairman, are noted by the Board of Directors in the subsequent Board Meeting.

There were no complaints received from shareholders/investors during the year ended 31<sup>st</sup> March, 2015. In view of the posting of the annual reports and the dividend warrants, as the case may be, within the statutory time limit, the delay or non-receipt of the annual reports or the dividend warrants was not due to any lapse on the part of the Company.

### **3. Nomination and Remuneration Committee**

#### **Terms of reference**

- 1) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- 2) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a 'Remuneration Policy', relating to the remuneration for the directors, key managerial personnel and other employees,
- 3) To formulate the criteria for evaluation of Independent Directors and the Board;
- 4) To devise a policy on Board diversity;
- 5) Any other matter as the NRC Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

#### **Composition**

At present, the NRC Committee consists of 3 (Three) members, 2 (Two) of whom are Non-Executive & Independent Director and 1 (One) is Non-Executive & Independent Director. The Chairman of the Committee is Mr. Murlidharan Nair, an Independent, Non-Executive Director.

#### **Meetings and Attendance**

During the year under review, the Committee met 1 (Once) on 25<sup>th</sup> November, 2014. The following table provides the composition of the NRC Committee and attendance of the members at the meetings of the Committee held during the financial year 2014-15:

| Members                  | Chairman/<br>Member | Category                                    | No. of<br>meetings<br>attended |
|--------------------------|---------------------|---|--------------------------------|
| Mr. Murlidharan<br>Nair  | Chairman            | Non Executive &<br>Independent Director     | 1                              |
| Mrs. Vasundhara<br>Atre  | Member              | Non Executive &<br>Independent Director     | 1                              |
| Mr. Narendra<br>Mahajani | Member              | Non Executive & Non<br>Independent Director | 1                              |

The minutes of the NRC Committee, once confirmed and signed by the Chairman, are noted by the Board of Directors in the subsequent Board Meeting.

None of the Directors have been granted any stock option.

#### Remuneration Policy

The Company follows a policy on remuneration to Directors, Key Managerial Personnel and Senior Management and other employees. The remuneration policy of the Company is structured in order to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

#### **I. General Body Meetings**

The Annual General Meeting of the Company for Financial Year 2013-14 was held on 22<sup>nd</sup> December, 2014 3.30 p.m at Navi Mumbai.

The details of last three Annual General Meetings of the Company are as under:

| Year    | Date and<br>Time                   | Venue of the Meeting   | Special Resolution<br>Passed, if any |
|---------|------------------------------------|--|--------------------------------------|
| 2011-12 | December, 07<br>2012, 4.00<br>p.m. | Hotel Celebrations,<br>Sector-19, Vashi, Navi<br>Mumbai-400705 | No                                   |
| 2012-13 | December 30,<br>2013, 3.30<br>p.m. | Hotel Celebrations,<br>Sector-19, Vashi, Navi<br>Mumbai-400705 | No                                   |
| 2013-14 | 22nd                               | Hotel Celebrations,  | Yes                                  |

| Year | Date and Time           | Venue of the Meeting                 | Special Resolution Passed, if any |
|------|-------------------------|--------------------------------------|-----------------------------------|
|      | December, 2014 3.30 p.m | Sector-19, Vashi, Navi Mumbai-400705 |                                   |

## II. Postal Ballot

During the year under review, no resolution has been passed through the exercise of postal ballot. Further, there is no resolution proposed to be conducted through Postal Ballot.

## III. Subsidiary Companies

As per the definition contained in Clause 49 of the Listing Agreement and the 'Policy on Material Subsidiaries' as aforesaid, the Company did not have any 'material unlisted Indian Subsidiary' during the year under review.

## IV. Code of Conduct

All Board members and Senior Management personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2015. A declaration to this effect signed by the Managing Director is appended at the end of this report.

## V. Whistle Blower Policy / Vigil Mechanism

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. To achieve this, the Company has adopted the Whistle Blowing Policy which lays down the overall framework and guidelines for reporting genuine concerns. The Policy is intended to encourage and enable employees and others to raise serious concerns within the Company prior to seeking resolution outside the Company.

In order to instill more confidence amongst the Whistle Blowers, the Company has appointed a person to receive the complaints and co-ordinate with the whistle-blower, if required. Adequate safeguards have been provided in the Policy to prevent victimization of anyone who is using this platform and direct access to the Chairman of the Audit Committee is also available in exceptional cases.



None of the personnel of the Company has been denied access to the Audit Committee.

## **VI. Disclosures**

### **a. Related Party Transactions**

As required under Clause 49 of the Listing Agreement, the Board has approved a Policy on Materiality and Dealing with Related Party Transactions.

As defined under the Companies Act, 2013, Clause 49 of the Listing Agreement and as per the 'Policy on materiality and dealing with Related Party Transactions' framed by the Company, There were no materially significant transactions with related parties during the financial year under review which were in conflict with the interests of the Company.

Details of related party transactions as per requirements of Accounting Standard - AS 18 - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in "Notes to Accounts" under Schedules to financial statements. Except the transactions disclosed under the said note, there are no other significant related party transactions between the Company and the related parties.

### **b. Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company follows the generally accepted accounting principles in India (Indian GAAP). The Company has prepared the financial statements to comply in all material respects with the accounting standards specified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

**c. Remuneration to Directors**

**Remuneration to Executive Directors**

During the financial year 2014-15, the Company has paid remuneration to its Executive Directors as per details given below:

(in Rs.)

| <b>Names of Directors</b> | <b>Salary and perquisites Rs.</b> |
|---------------------------|-----------------------------------|
| Mr.B.K.Tendulkar          | 24,00,000/-                       |

**Remuneration to Non-Executive Directors**

No Remuneration is paid to Non-Executive Directors.

**d. Risk Management**

The Company has structured a robust Risk Management Plan to identify and evaluate various business risks and opportunities. As per the plan, the Audit Committee / Board of Directors will be informed on quarterly basis about various risks identified by the Senior Management, the mitigation plan devised by them, progress on various plans / activities being implemented to mitigate the same and any other risks, newly identified with mitigation plan for them.

The Board, upon review, will further guide the Senior Management about risk identification and improvement in mitigation plans.

**e. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years**

The Company has complied with all the requirements of the Listing Agreement entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Since the date of listing of the company's shares on 17<sup>th</sup> June, 2014 on Bombay Stock Exchange there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non - compliance of any matter related to the capital markets during the last three years.

**f. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause**

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. However, the Company is in process of adoption of Non-Mandatory Provisions of Clause 49.

**VII. Means of Communication**

**a. Publication of Results**

The quarterly/half-yearly and annual results of the Company are published in (The Financial Express) English daily newspaper circulating in substantially the whole of India and in (Apla Mahanagar) Marathi daily newspaper circulating in Mumbai (where the Registered Office of the Company is situated).

**b. Press Release and Presentations**

Official Press Releases are sent to the Stock Exchanges. Presentation made to media, analyst, institutional investors, etc. are posted on the Company's website.

**c. Intimation to Stock Exchanges**

All price sensitive information and matters which are material and relevant to shareholders are intimated to the BSE Ltd. (BSE) where the shares of the Company are listed.

**d. Website**

The Company's website - [www.maestroelectronics.net](http://www.maestroelectronics.net) contains comprehensive database of information of interest to the investors including the financial results and Annual Reports of the Company, any information disclosed to the regulatory authorities from time to time, business activities and the services rendered/facilities extended by the Company to the investors, in a user friendly manner. The basic information about the Company as called for in terms of Clause 54 of the Listing Agreement is provided on this website and the same is updated regularly.

**e. Annual Report**

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other statutory information is sent to members and others entitled thereto and is also uploaded on the Company's website.

**f. Dedicated email-id**

The Company has also designated a dedicated email-id "tendulkar@maestros.net" for servicing its stakeholders.

**VIII. General Shareholder Information**

**a. Annual General Meeting**

The Annual General Meeting (AGM) for the financial year 2014-15 will be held on Tuesday, 29<sup>th</sup> September 2015 at 3.30 pm at Hotel Celebrations, Plot.No. L-1, Sector 19, Vashi, Navi Mumbai-400705.

**b. Financial Year of the Company**

The Financial Year of the Company is from 1<sup>st</sup> day of April in a year till 31<sup>st</sup> day of March in the next succeeding year.

**c. Dedicated email id for investors**

For the convenience of our investors, the Company has designated an email id for investors which is "tendulkar@maestros.net".

**d. Registrar & Share Transfer Agent (RTA)**

For any assistance regarding Share Transfers, Transmissions, change of address, non-receipt of dividends, duplicate / missing share certificates and other relevant matters, the Registrar and Transfer Agents of the Company at the following address may be contacted:

Link Intime India Pvt. Ltd  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400078

**e. Book closure dates for the purpose of AGM**

The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2015 to 29<sup>th</sup> September, 2015. (Both days inclusive) for the purpose of AGM.

**f. Distribution of Shareholding as on 31<sup>st</sup> March, 2015**

| Share holding of nominal value | Share holders |            | Share Amount (in Rs) |            |
|--------------------------------|---------------|------------|----------------------|------------|
|                                | Number        | % to Total | in Rs                | % to Total |
| 1-5000                         | 934           | 74.84      | 1036130              | 2.82       |
| 5001-10000                     | 125           | 10.02      | 739880               | 2.01       |
| 10001-20000                    | 75            | 6.01       | 927280               | 2.52       |
| 20001-30000                    | 23            | 1.84       | 573640               | 1.56       |
| 30001-40000                    | 18            | 1.44       | 584590               | 1.59       |
| 40001-50000                    | 9             | 0.72       | 395330               | 1.07       |
| 50001-100000                   | 18            | 1.44       | 1185810              | 3.22       |
| 100001- *****                  | 46            | 3.69       | 31356790             | 85.21      |
| <b>Total</b>                   | <b>1248</b>   | <b>100</b> | <b>36799450</b>      | <b>100</b> |

**g. Share Transfer System**

The process of recording of share transfers, transmissions, etc., for shares held in electronic form is handled by Link Intime India Pvt. Ltd (RTA) and a report thereof is sent to the Company periodically and the Stakeholders' Relationship Committee of the Company takes note of the same at its meetings. In respect of shares held in physical form, the transfer documents are lodged with the RTA and after processing, the same are sent to the company and the Stakeholders' Relationship Committee conveys its approval to the Registrars, who dispatch the duly transferred share certificates to the shareholders concerned after complying with the applicable provisions. The average time taken for processing share transfer requests (in physical) including dispatch of share certificates is 15 days.

**h. Dematerialization of shares and Liquidity**

The Company has admitted its shares to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company is INE318N01011. The

equity shares of the Company are compulsorily traded in dematerialized form as mandated by SEBI.

As on 31<sup>st</sup> March, 2015, status of the dematerialized and physical form of shares of the Company is as under:

| Shares held in              | No. of Shares   | Percentage (%) |
|-----------------------------|-----------------|----------------|
| Electronic Form with CDSL   | 921976          | 25.05          |
| Electronic Form with NSDL   | 2203654         | 59.88          |
| Physical Form               | 154315          | 4.19           |
| <b>Total</b>                | <b>3279945</b>  | <b>89.13</b>   |
| <b>Difference*</b>          | <b>4,00,000</b> | <b>10.87</b>   |
| <b>Total Issued Capital</b> | <b>3679945</b>  | <b>100</b>     |

**\*Allotment of 4, 00,000 equity shares made on 10/02/2015 was due for credit in demat account. As on date the same has been done**

**i. Annual Report - Green Initiative in Corporate Governance**

The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by Companies through electronic mode. In accordance with circular no. 17/2011 dated April 21, 2011 and circular no. 18/2011 dated April 29, 2011 issued by the Ministry, companies can send various notices and documents, including Annual Report, to its shareholders through electronic mode to their registered e-mail addresses. Further, the Companies Act, 2013 and rules made thereunder also recognize communication with shareholders in electronic mode.

Your Company has been sending the Annual Reports to its shareholders, who have registered their e-mail address with the Depositories/Company, on e-mail every year. Others, who have not registered their e-mail address, have been sent the Annual Reports in physical copy and have always been appealed to register their e-mail address and opt for receiving all the communication through e-mail.

All the shareholders who have not yet registered their e-mail addresses are once again requested to register it with the Registrar and Transfer Agent – Link Intime India Pvt. Ltd and opt for electronic delivery and contribute their small share to the noble cause of “Green Initiative”.

However, those who want to receive hard copies of all the communication have to make a specific request to the Company by sending a letter in this regard.

**j. Listing of Equity Shares on Stock Exchanges and Stock Codes**

The Equity Shares of the Company are listed on the following Stock Exchanges:

| Name of the Stock Exchange | Scrip Code / Symbol |
|----------------------------|---------------------|
| BSE Limited                | 538401 /METSL       |

The Annual Listing fees for the year 2015-16 have been paid to the Stock Exchange.

**k. The GDR/ADR/Convertible instruments**

The Company has not issued any GDR/ ADR/ Convertible instruments during the financial year 2014-15.

**l. Stock market price data for the year 2014-15**

The market quotation of Company's scrip on BSE is as follows:

(Price in Rs.)

| Month     | BSE share price |       | S&P BSE Sensex |           |
|-----------|-----------------|-------|----------------|-----------|
|           | High            | Low   | High           | Low       |
| June 2014 | 46.90           | 29.70 | 25,725.12      | 24,270.20 |
| Jul 2014  | 28.25           | 16.35 | 26,300.17      | 24,892.00 |
| Aug 2014  | 16.05           | 12.85 | 26,674.38      | 25,232.82 |
| Sept 2014 | 13.35           | 8.50  | 27,354.99      | 26,220.49 |
| Oct 2014  | 8.10            | 6.32  | 27,894.32      | 25,910.77 |
| Nov 2014  | 10.52           | 6.15  | 28,822.37      | 27,739.56 |
| Dec 2014  | 17.03           | 11.04 | 28,809.64      | 26,469.42 |
| Jan 2015  | 23.75           | 17.05 | 29,844.16      | 26,776.12 |
| Feb 2015  | 25.60           | 23.15 | 29,560.32      | 28,044.49 |
| Mar 2015  | 28.95           | 19.70 | 30,024.74      | 27,248.45 |

**m. Shares held by Directors**

The details of the shares held by the Directors of the Company as on 31<sup>st</sup> March, 2015 are as under:

| <b>SR. No</b> | <b>Names of the Directors</b>              | <b>No. of Equity Shares held</b> |
|---------------|--|----------------------------------|
| 1.            | Mr. Narendra Prabhakar Mahajani            | 50,750                           |
| 2.            | Mr. Nitin Sadashiv Paranjape               | 4,57,099                         |
| 3.            | Mr. Balkrishna Kamalakar Tendulkar         | 11,75,900                        |
| 4.            | Mrs. Vasundhara Atre                       | 50,000                           |
| 5.            | Mr. Muralidharan<br>Karathedathuraman Nair | -                                |

None of the Directors hold any convertible instruments in the Company.

**n. Key Financial Reporting Dates for the Financial Year 2015-16 (Provisional)**

|  |  |
|--|--|
| Unaudited results for the first quarter ended 30 <sup>th</sup> June, 2015:                 | On or before 14 <sup>th</sup> August, 2015   |
| Unaudited results for the second quarter/half year ended 30 <sup>th</sup> September, 2015: | On or before 14 <sup>th</sup> November, 2015 |
| Unaudited results for the third quarter ended 31 <sup>st</sup> December, 2015:             | On or before 14 <sup>th</sup> February, 2016 |
| Audited results for the financial year 2015-16:  | On or before 30 <sup>th</sup> May, 2016      |

**IX. Other Information**

**a. Permanent Account Number (PAN) for transfer of shares in physical form mandatory**

SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions of listed companies involving transfer of shares in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company's RTA for registration of such transfer of shares.



**b. Insider Trading**

In order to prohibit insider trading and protect the rights of innocent investors, SEBI has enacted the SEBI (Prohibition of Insider Trading) Regulations, 2015. As per Regulation 7 of the said Regulations, initial and continual disclosures are required to be made by investors as under:

• **Initial Disclosure**

(a). Every promoter, key managerial personnel and director of every company whose securities are listed on any recognized stock exchange shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect;

(b). Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the company within seven days of such appointment or becoming a promoter.

• **Continual Disclosure**

(a). Every promoter, employee and director of every company shall disclose to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified;

(b). Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

**c. SEBI Complaints Redress System (SCORES)**

The investor complaints are processed through a centralized web-based complaint redressal system by SEBI called "SCORES". The salient features of SCORES are availability of centralised data base of complaints and uploading online Action Taken Reports (ATRs) by the Company. Through SCORES, the investors can view online the actions taken and current status of their complaints.

**d. Online Portal for submission of various filings**

- **BSE Corporate Compliance & Listing Centre (the "Listing Centre")**

It is a web-based facility accessible from anywhere through the Company's allotted unique login. Listing Centre of BSE accepts periodical compliance filings from the Companies.

**e. CEO/ CFO Certification and Compliance Certificate on Corporate Governance :**

Pursuant to **Circular No. CIR/CFD/POLICY CELL/7/2014** dated September 15, 2014, Compliance of revised Clause 49 of the Listing agreement is not mandatory for the Company. Hence, the Company has not obtained the CEO/CFO certification and Compliance Certificate on Corporate Governance as per the provisions of revised Clause 49 of the Listing agreement.

**f. Plant Location :**

Plot No. El/66, TTC Industrial Area,  
Electronic Zone, Mahape,  
Navi Mumbai - 400710

**g. Address for correspondence**

Mr. B.K. Tendulkar  
Managing Director & Compliance Officer.  
Plot No.EL-66, TTC Industrial Area,  
Electronic Zone, MIDC,  
Mahape, Navi Mumbai -400710  
Phone: 022-27611193 / 94  
Fax 022-2762 2153  
Email: tendulkar@maestros.net

Investors' correspondence may be addressed to the RTA of the Company. Shareholders' / Investors' are requested to forward documents related to share transfer, dematerialization requests (through their respective Depository Participant) and other related correspondence directly to Link Intime India Pvt. Ltd at the below mentioned address for speedy response:

Link Intime India Pvt. Ltd  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West),  
Mumbai - 400078

**For MAESTROS ELECTRONICS &  
TELECOMMUNICATIONS SYSTEMS LIMITED**

Sd/-

**Mr. B.K. Tendulkar**

**Managing director**

**DIN: 02448116**

**Place: Navi Mumbai**

**Date: 28.08.2015**

ANNEXURE -E to Directors Report

**FORM NO. MR.3  
SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31<sup>st</sup> March, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
**Maestros Electronics & Telecommunications Systems Limited**  
Plot No. E1/63, TTC Industrial Area,  
Electronic Zone, Mahape, Navi Mumbai - 400701

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Maestros Electronics & Telecommunications Systems Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the rules made there under;
- (ii) The Securities Contracts (**Regulation**) Act, 1956 ('**SCRA**') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period)**
- (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28<sup>th</sup> October, 2014 **(Not Applicable during the audit period)**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during the audit period)**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable during the audit period)** and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable during the audit period);**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified during the audit period and hence not applicable to the Company).**
- (ii) The Listing Agreements entered into by the Company with stock exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and etc.

*However, under Companies Act 2013 and rules made there under the Company has not complied with following provisions:*

- a) The Companies has not appointed Internal Auditor which is required to be appointed under sec. 138 of the Companies Act, 2013.*
- b) The Company has also not appointed Company Secretary in whole time employment of the Company and Chief Financial Officer (CFO) which is required to be appointed as per Sec. 203 of the Companies Act, 2013.*

**I further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

**I further report that** during the audit period,

- (i) The Company has issued and allotted 4,00,000 Equity shares of Rs. 10/- each at a premium of Rs. 5.13 per share aggregating to Rs. 60,52,000/- (Rupees Sixty Lakhs Fifty Two Thousand Only) on a Private Placement Basis.
- (ii) The Company has passed the Special resolution of the members at the 5<sup>th</sup> Annual General Meeting of the Company for the financial year 2013-14 held on 22<sup>nd</sup> December, 2014 under section 180 (1) c for giving authority to Board of Directors for borrowing an amount not exceeding Rs. 10 Crore.

- (iii) The Company has also passed the Special Resolution of members at the 5<sup>th</sup> Annual General Meeting of the Company for the Financial year 2013-14 held on 22nd December 2014 under section 180 (1) (a) of the Companies Act, 2013 giving authority to Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company for an amount not exceeding Rs. 10 Crore.

**For Vijay Kumar Tiwari & Associates  
Company Secretary**

**Sd/-**

Place: Mumbai

**Date: 28/08/2015**

**(Vijay Tiwari)  
ACS No: 33084  
COP No: 12220**

**ANNEXURE -F to Directors Report**

**REMUNERATION DETAILS**

*[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

- 1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-2015:**

| Sr. No. | Particulars                                     | Director's Remuneration In Rs. | Median remuneration of Employees in Rs. | Ratio  |
|---------|---|--------------------------------|---|--------|
| 1.      | Mr. Balkrishna K. Tendulkar (Managing Director) | 24,00,000/-                    | 3,12,000                                | 100:13 |

Apart from the above, none of the other Directors is paid remuneration in any form.

- 2. Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2014-2015:**

| Sr. No. | Particulars                                     | % Increase |
|---------|---|------------|
| 1.      | Mr. Balkrishna K. Tendulkar (Managing Director) | -          |
|         | <b>Total</b>                                    | <b>-</b>   |

- 3. Percentage increase in the median remuneration of employees in the financial year 2014-2015: 12%**
- 4. The number of permanent employees on the rolls of the Company: 60 as on March 31, 2015**
- 5. The explanation on the relationship between average increase in remuneration and Company Performance:**

Average increase in the remuneration of all employees during the Fiscal 2015 over Fiscal 2014 was 12% whereas the increase in the EBITDA of the Company was 51.16%.

- 6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

There has been no increase in the remuneration of the KMPs in the fiscal 2015 over the fiscal 2014. The EBITDA growth of the Company during fiscal 2015 over fiscal 2014 was 51.16%.



7. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**

The market capitalization of the Company has increased from Rs. 32,799,450/- as of March 31, 2014 to Rs. 83,166,757/- of March 31, 2015. Over the same period, the price earnings ratio moved from 6.29 to 10.92.

The closing price of the Company's equity shares on the BSE as of March 31, 2015 was Rs.22.6.

8. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

| Sr. No. | Particulars  | % Increase |
|---------|--|------------|
| 1.      | Average percentile increase in the salary of employees other than managerial personnel | 12%        |
| 2.      | Average percentile increase in the salary of the managerial personnel                  | -          |

The percentile increase in the salaries of the managerial personnel and that of the employees other than the managerial personnel is marginally the same which is totally justifiable based on the principle of indiscrimination.

The increase in the managerial remuneration during the financial year 2014-15 is not exceptional.

9. **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company :**

| Sr. No. | Particulars                | % Increase (Fiscal 2015 over Fiscal 2014) |           |
|---------|----------------------------|---|-----------|
|         |                            | In remuneration                           | In EBITDA |
| 1.      | Mr. Balkrishna K.Tendulkar | -   | 51.16     |

**10. The key parameters for any variable component of remuneration availed of by the Directors:**

There is no variable component in the remuneration of the Executive Directors. The Non-Executive Directors are not entitled to remuneration in any form.

**11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year. N.A**

**12. The Remuneration paid to all Directors is as per the Remuneration Policy of the Company.**

**For Maestros Electronics & Telecommunications Systems Limited**

**Sd/-**

**B. K. Tendulkar**  
**Managing Director**  
**DIN: 02448116**  
Date: 28.08.2015  
Place: Navi Mumbai

## **Independent Auditor's Report**

To the Members of,

### **MAESTROS ELECTRONICS AND TELECOMMUNICATIONS SYSTEMS LIMITED**

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

We have audited the accompanying financial statements of **MAESTROS ELECTRONICS AND TELECOMMUNICATIONS SYSTEMS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the Purpose of expressing an opinion on

whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

### **OTHER MATTERS**

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

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.

- I. There were no pending litigations which would impact the financial position of the company.

- II. The Company did not have any long term contracts including derivative contracts on which material foreseeable losses was required under the applicable law or accounting standards
  
- III. There are no amounts required to be transferred to the Investor Education and Protection Fund by the company.

**For DMKH & Co,  
Chartered Accountants,  
FRN : 116886W**

**Harish Laddha  
Partner  
M.No. 420513  
Place: Mumbai  
Date: 30/05/2015**

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

**Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date**

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

- i. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) We have been informed that the fixed assets of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- ii. a) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.  
b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of Inventories referred to in 2(a) above followed by the management, are reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventories. As per the information and explanation provided to us and having regard to the size of the company, no material discrepancies were noticed on physical verification of inventory as compared to book records.
- iii. a) According to the information and explanations given to us and on the basis of examination of the books of account by us, the company has not granted loan to parties covered in the Register maintained under section 189 of the Companies Act, 2013.  
b) The Company has not granted any loan, accordingly, the clause (iii) (b) of the order is not applicable to the company for the year.
- iv. In our opinion and according to the information and explanations given to us there are **not adequate internal control** procedures commensurate with the size of the Company and the nature of its business with regards to the **purchase of inventory, sale of goods and services, Trade Payable and Trade Receivable** . During the course of our audit, other than aforesaid we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any Deposits from any party, therefore provisions of Companies Act Sec 73 to 76 and rules made there under and permission of Reserve Bank of India, the question does not arise.
- vi. The maintenance of cost records is not prescribed for the company by the central government under sub-section (1) of sec 148 of the Companies Act, 2013. Therefore the company has not maintained any cost records during the year.
- vii. a) According to the information and explanation given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues

including income tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable **except in case of deduction and depositing of Professional tax of Company.**

- b) According to the information and explanation given to us, no undisputed amount payable in respect of income tax, customs duty, wealth tax, service tax, excise duty and cess were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.
  - c) The amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956(1 of 1956) and rules made there under has been transferred to such fund within time.
- viii. The Company does not have any accumulated loss during the financial year covered by our audit.
- ix. The Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- x. According to the information given to us, the company has not given any guarantee for others for loans taken by them from banks and financial institutions.
- xi. The term loans were applied for the purpose for which the loan were obtained.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For DMKH & Co,  
Chartered Accountants,  
FRN : 116886W**

**Harish Laddha  
Partner  
M.No. 420513  
Place: Mumbai  
Date: 30/05/2015**

**BALANCE SHEET AS AT 31ST MARCH, 2015**

| Particulars                          | Notes | As at 31st<br>March, 2015<br>Rs. | As at 31st<br>March, 2014<br>Rs. |
|--------------------------------------|-------|----------------------------------|----------------------------------|
| <b><u>EQUITY AND LIABILITIES</u></b> |       |                                  |                                  |
| <b>Shareholders' Funds</b>           |       |                                  |                                  |
| Share Capital                        | 1     | 36,799,450                       | 32,799,450                       |
| Reserves and Surplus                 | 2     | <u>59,681,493</u>                | <u>50,734,221</u>                |
|                                      |       | 96,480,943                       | 83,533,671                       |
| <b>Non- Current Liabilities</b>      |       |                                  |                                  |
| Long-Term Borrowings                 | 3     | 6,736,311                        | 2,306,774                        |
| Deferred Tax Liabilities (Net)       | 4     | 1,529,744                        | 1,693,943                        |
| Long-Term Provisions                 | 5     | <u>2,952,764</u>                 | <u>2,184,629</u>                 |
|                                      |       | 11,218,819                       | 6,185,346                        |
| Short-Term Borrowings                | 6     | 33,190,804                       | 29,488,243                       |
| Trade Payables                       | 7     | 42,033,725                       | 31,541,617                       |
| Other Current Liabilities            | 8     | 7,938,985                        | 16,608,705                       |
| Short-Term Provisions                | 9     | <u>5,490,707</u>                 | <u>2,635,570</u>                 |
|                                      |       | 88,654,221                       | 80,274,135                       |
| <b>TOTAL</b>                         |       | <b><u><u>196,353,983</u></u></b> | <b><u><u>169,993,152</u></u></b> |
| <b><u>ASSETS</u></b>                 |       |                                  |                                  |
| <b>Non-Current Assets</b>            |       |                                  |                                  |
| Fixed Assets (Net)                   | 10    |                                  |                                  |
| Tangible Assets                      |       | 61,735,481                       | 65,254,832                       |
| Intangible Assets                    |       | 2,093,485                        | 306,372                          |
| Capital work in progress             |       | 13,612,289                       | -                                |
| Non-Current Investments              | 11    | 1,400,000                        | -                                |



|                               |    |                    |                    |
|-------------------------------|----|--------------------|--------------------|
| Long-Term Loans and Advances  | 12 | 3,430,006          | 1,132,449          |
|                               |    | 82,271,261         | 66,693,653         |
| <b>Current Assets</b>         |    |                    |                    |
| Inventories                   | 13 | 6,170,540          | 2,013,253          |
| Trade Receivables             | 14 | 33,382,457         | 30,785,600         |
| Cash and Bank Balances        | 15 | 73,357,077         | 62,167,740         |
| Short-Term Loans and Advances | 16 | 1,172,648          | 8,092,021          |
| Other Current Assets          | 17 | -                  | 240,885            |
|                               |    | 114,082,722        | 103,299,499        |
| <b>TOTAL</b>                  |    | <b>196,353,983</b> | <b>169,993,152</b> |

Summary of Significant Accounting Policies &  
Notes to the accounts form integral part of  
financial statements 25-37

**As per our attached Report of even date  
For and on behalf of DMKH & Co.,  
Chartered Accountants,  
Firm Registration Number : 116886W**

**For and on behalf of Board Directors**

**Harish Laddha  
Partner  
Membership No. 420513**

**Sd/-  
B. K. Tendulkar  
Managing Director  
DIN: 02448116**

**Sd/-  
N. P. Mahajani  
Director  
DIN: 01048676**

**Place : Mumbai  
Date: 30th May, 2015**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

| Particulars   | Notes | For the year              | For the Year              |
|---|-------|---------------------------|---------------------------|
|   |       | Ended 31st<br>March, 2015 | Ended 31st<br>March, 2014 |
|   |       | Rs.                       | Rs.                       |
| <b>1 Revenue</b>  |       |                           |                           |
| Revenue from Operations (Net)   | 18    | 165,395,787               | 143,000,021               |
| Other Income  | 19    | 5,494,063                 | 3,853,878                 |
| <b>Total</b>  |       | <b>170,889,850</b>        | <b>146,853,899</b>        |
| <b>2 Expenses</b>   |       |                           |                           |
| Cost of Material Purchased  | 20    | 116,009,774               | 98,016,963                |
| Changes in inventories of finished goods, work<br>in progress and raw materials       | 21    | (4,157,287)               | 3,576,045                 |
| Employee Benefits Expense   | 22    | 23,811,665                | 18,363,253                |
| Finance Costs (Net)   | 23    | 4,198,665                 | 2,536,106                 |
| Depreciation and Amortization Expense   | 10    | 5,563,485                 | 3,870,569                 |
| Other Expenses  | 24    | 15,222,997                | 13,664,785                |
| <b>Total</b>  |       | <b>160,649,299</b>        | <b>140,027,721</b>        |
| <b>3 Profit / (Loss) before exceptional and<br/>extraordinary items and tax (1-2)</b> |       |                           |                           |
| Exception and Extraordinary items   |       | -                         | -                         |
| <b>4 Profit / (Loss) before tax</b>   |       | <b>10,240,551</b>         | <b>6,826,178</b>          |
| <b>5 Tax expense:</b>   |       |                           |                           |
| (a) Current tax expense for current year  |       | 3,509,478                 | 1,087,250                 |

|   |                  |                  |
|---|------------------|------------------|
| (b) Current tax expense relating to prior years |                  | -                |
| (c) Deferred tax                                | (164,199)        | 514,513          |
|   | <b>3,345,279</b> | <b>1,601,763</b> |

|   |                  |                  |
|---|------------------|------------------|
| <b>6 Profit / (Loss) from continuing operations after tax (4- 5) and carried to balance-sheet</b> | <b>6,895,272</b> | <b>5,224,415</b> |
|---|------------------|------------------|

**Earnings per Equity Share (in Rs.) :**  
(Face value of Rs 10/- per Equity Share)

|                   |      |      |
|-------------------|------|------|
| Basic and Diluted | 2.07 | 1.59 |
|-------------------|------|------|

Summary of Significant Accounting Policies & Notes to the accounts form integral part of financial statements 25-37

**As per our attached Report of even date**

**For and on behalf of DMKH & Co.,  
Chartered Accountants,  
Firm Registration Number : 116886W**

**For and on behalf of Board of Directors**

Sd/-

Sd/-

**Mr. B. K. Tendulkar  
Managing Director**

**Mr. N. P. Mahajani  
Director**

**DIN: 02448116**

**DIN:01048676**

**Harish Laddha**

**Partner**

**Membership No. 420513**

**Place : Mumbai**

**Date: 30th May, 2015**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

|  | For the year<br>ended<br>31st March,<br>2015<br>Rs. | For the year<br>ended<br>31st March,<br>2014<br>Rs. |
|--|---|---|
| Profit before tax  | 10,240,551  | 6,826,178   |
| <u>Adjustments for:</u>  |   |   |
| Depreciation and Amortization Expense                                      | 5,563,485   | 3,870,569   |
| Sundry Balances no longer required written back / (off) (net)              | -   | 4,729,371   |
| Unrealised foreign exchange Loss/(gain) (Net)                              | 1,218,601   | (1,209,760)   |
| Interest Expenses  | 4,198,664   | 13,664,784  |
| Interest Income  | (5,494,063)   | (3,753,643)   |
| <b>Operating profit before working capital changes</b>                     | <b>15,727,237</b>                                   | <b>24,127,499</b>                                   |
| (Increase) / Decrease in Inventories                                       | (4,157,287)   | 3,576,045   |
| (Increase) / Decrease in Trade Receivables                                 | (3,815,458)   | 10,938,452  |
| (Increase) / Decrease in Short-term Loans and Advances and Other Assets    | 4,862,701   | (211,398)   |
| Increase / (Decrease) in Trade Payables , Other Liabilities and Provisions | 5,638,741   | (4,501,399)   |
| <b>Cash generated from / (used in) operations</b>                          | <b>18,255,934</b>                                   | <b>33,929,199</b>                                   |
| Less :   |   |   |
| Income Tax Paid  | -   | (877,087)   |

|  |                     |                     |
|--|---------------------|---------------------|
| <b>Net cash from / (used in) Operating activities (A)</b>                    | <b>18,255,934</b>   | <b>33,052,112</b>   |
| <b>Cash flow from Investing activities</b>                                   |                     |                     |
| Purchase of Fixed Assets   | (17,443,536)        | (15,702,388)        |
| Investment in Joint Venture  | (1,400,000)         | -                   |
| Loans & Advances given   | -                   | (456,684)           |
| Investment in Fixed Deposit  | -                   | (44,194,149)        |
| Interest Received  | 5,494,063           | 3,383,346           |
| <b>Net cash used in Investing activities (B)</b>                             | <b>(13,349,473)</b> | <b>(56,969,875)</b> |
| <b>Cash flow from Financing activities</b>                                   |                     |                     |
| Proceeds received from issue of equity share capital at the time of demerger | 4,000,000           | -                   |
| Security Premium received on transfer of share capital                       | 2,052,000           | -                   |
| Proceeds from Borrowings (net)   | 4,429,537           | 3,418,343           |
| Interest paid during the year  | (4,198,664)         | (2,536,107)         |
| <b>Net cash from Financing activities (C)</b>                                | <b>6,282,873</b>    | <b>882,237</b>      |
| <b>Net increase /(Decrease) in cash and cash equivalents (A + B + C)</b>     | <b>11,189,334</b>   | <b>(23,035,526)</b> |
| Add: Cash and cash equivalents at the beginning of the year                  | 62,167,740          | 35,328,660          |
| <b>Cash and cash equivalents at the end of the year</b>                      | <b>73,357,074</b>   | <b>12,293,134</b>   |

|  | For the year ended<br>31st March, 2015 | For the year<br>ended<br>31st March,<br>2014 |
|--|--|--|
|  | Rs.                                    | Rs.  |
| <b>Reconciliation of Cash and Bank Balances</b>            |  |  |
| Cash and Bank Balances                                     | 73,357,077                             | 62,167,741                                   |
| Less : Deposits more than 3 months                         | 59,143,845                             | 60,324,395                                   |
| Less : Margin Money Balances                               | -                                      | -  |
| <b>Cash and Cash Equivalents as at the end of the year</b> | <b>14,213,232</b>                      | <b>1,843,346</b>                             |

**Note:**

Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification.

**As per our attached Report of even date  
For and on behalf of DMKH & Co.,  
Chartered Accountants,  
Firm Registration Number : 116886W**

**For and on behalf of the Board of Directors**

**Harish Laddha  
Partner  
Membership No. 420513**

Sd/-  
**Mr. B. K. Tendulkar  
Managing Director  
DIN: 02448116**

Sd/-  
**Mr. N. P. Mahajani  
Director  
DIN:01048676**

**Place : Mumbai  
Date: 30th May, 2015**

**NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2015**

| Particulars   | As at<br>31st<br>March,<br>2015 |                          | As at<br>31st<br>March,<br>2014 |                          |
|---|---------------------------------|--------------------------|---------------------------------|--------------------------|
|   | Rs.                             |                          | Rs.                             |                          |
| <b>1 Share Capital</b>  |                                 |                          |                                 |                          |
| <b>(a) Authorised</b><br>40,00,000 Equity Shares of Rs. 10<br>each                    |                                 | <u>40,000,000</u>        |                                 | <u>40,000,000</u>        |
| <b>(b) Issued, Subscribed and Paid up</b><br>36,79,945 Equity Shares of Rs 10<br>each |                                 | <u>36,799,450</u>        |                                 | <u>32,799,450</u>        |
| <b>Total</b>  |                                 | <u><b>36,799,450</b></u> |                                 | <u><b>32,799,450</b></u> |
| <b>(c) Reconciliation of number of<br/>Shares and Amount</b>                          | <b>Number<br/>of Shares</b>     | <b>Amt. (Rs.)</b>        | <b>Number of<br/>Shares</b>     | <b>Amt. (Rs.)</b>        |
| As per last financial statement   | 3,279,945                       | 32,799,450               | 3,279,945                       | 32,799,450               |
| Add : Changes during the<br>year  | 400,000                         | 4,000,000                | -                               | -                        |
| Less : Shares bought back during<br>the year  | -                               | -                        | -                               | -                        |
| <b>Balance as at the year end</b>   | <u><b>3,679,945</b></u>         | <u><b>36,799,450</b></u> | <u><b>3,279,945</b></u>         | <u><b>32,799,450</b></u> |

| (d)  | Shareholders holding more than 5% | Number    | %       | of | Number    | %       | of |
|------|-----------------------------------|-----------|---------|----|-----------|---------|----|
|      |                                   | of shares | Holding |    | of shares | Holding |    |
| i)   | Balkrishna K. Tendulkar           | 1,075,900 | 32.80   |    | 225,900   | 6.89    |    |
| ii)  | Dr. Nitin S. Paranjpe             | 457,099   | 13.94   |    | 457,099   | 13.94   |    |
| iii) | Krishna Kumar Menon               | -         | -       |    | 856,638   | 26.12   |    |

**(e) Rights and preferences attached to Equity Shares**

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

The Company has got Listed on Bombay Stock Exchange Limited on 17th June, 2014,

The Company has allotted 4,00,000 Equity shares ranking pari passu with existing equity shares at the Board Meeting

| For the<br>year Ended<br>31st<br>March,<br>2015 | For the<br>Year Ended<br>31st<br>March,<br>2014 |
|---|---|
| Rs.   | Rs.   |

**2 Reserves and Surplus**

|  |                   |                   |
|--|-------------------|-------------------|
| <b>a Capital Reserves</b>                                      | 15,146,125        | 15,146,125        |
| <b>b Surplus/(Deficit) in the Statement of Profit and Loss</b> |                   |                   |
| As per last Financial Statement                                | 35,588,096        | 30,363,681        |
| Add: Profit as per the annexed Statement of Profit and Loss    | <u>6,895,272</u>  | <u>5,224,415</u>  |
|  | <u>42,483,368</u> | <u>35,588,096</u> |



**c Securities Premium Reserve**

Balance as per Last Balance sheet

Add : on issue of Share 2,052,000 -

2,052,000 -

**Total (a + b + c + d)** **59,681,493** **50,734,221**

| Particulars                   | For the year<br>Ended 31st<br>March, 2015 | For the Year<br>Ended 31st<br>March, 2014 |
|-------------------------------|---|---|
|                               | Rs.                                       | Rs.                                       |
| <b>3 Long-term Borrowings</b> |   |   |
| <b>Secured Loans :</b>        |   |   |
| i) Vehicle Loan from Bank     | 1,605,601                                 | 2,306,774                                 |
| ii) Term Loan from Bank       | 5,130,710                                 | -   |
|                               | <u><b>6,736,311</b></u>                   | <u><b>2,306,774</b></u>                   |

Rs. 13,96,342 secured by way of, exclusive hypothecation charge on vehicle for which loan taken. The term loan is payable in 45 monthly installments up to September, 2016.

Rs. 2,09,259 secured by way of, exclusive hypothecation charge on vehicle for which loan taken. The term loan is payable in 35 monthly installments up to November, 2015.

Rs. 51,30,710 secured against Fixed Deposit it carries interest rate of 11.00 % p.a.

**4 Deferred Tax Liabilities (Net)**

**Timing differences on account of :**

|  |                  |                  |
|--|------------------|------------------|
| <b>Opening balance</b>   | <b>1,693,943</b> | <b>1,179,430</b> |
| Book and tax depreciation  | 157,923          | 646,633          |
| Leave Encashment and Gratuity  | (249,221)        | (112,035)        |
| Expenses charged to statement of profit and loss<br>account but not allowed in income tax. | (72,900)         | (20,085)         |

|                                       | <u>1,529,744</u>  | <u>1,693,943</u>  |
|---------------------------------------|-------------------|-------------------|
| <b>5 Long-Term Provisions</b>         |                   |                   |
| Provision for Employee Benefits       |                   |                   |
| Gratuity                              | 2,395,030         | 1,780,739         |
| Leave Encashment                      | 557,734           | 403,890           |
|                                       | <u>2,952,764</u>  | <u>2,184,629</u>  |
| <b>6 Short-Term Borrowings</b>        |                   |                   |
| Overdraft and Cash Credit Facility    |                   |                   |
| Private Sector Bank                   | 33,190,804        | 21,364,374        |
| Loans and advances from related party |                   |                   |
| Unsecured                             | -                 | 8,123,869         |
|                                       | <u>33,190,804</u> | <u>29,488,243</u> |

Overdraft facility has secured by way of, exclusive hypothecation charge on Fixed Deposit, it carries interest rate of 9.80% p.a. repayable monthly.

Cash Credit Facility has secured by way of, exclusive hypothecation charge on entire book debts & Stock, it carries interest rate of 12.65% p.a. repayable on demand.

| Particulars                          | For the year<br>Ended 31st<br>March, 2015 | For the Year<br>Ended 31st<br>March, 2014 |
|--------------------------------------|---|---|
|                                      | Rs.                                       | Rs.                                       |
| <b>7 Trade Payables</b>              |   |   |
| Micro, Small and Medium Enterprises  | -   | -   |
| Others                               | 42,033,725                                | 31,541,617                                |
|                                      | <u>42,033,725</u>                         | <u>31,541,617</u>                         |
| <b>8 Other Current Liabilities</b>   |   |   |
| Current maturities of long-term debt |   |   |
| From Banks                           | -   | 3,500,000                                 |

|   |                  |                   |
|---|------------------|-------------------|
| Advances received from customers                  | 9,013,760        | 6,832,481         |
| Other Payables                                    |                  |                   |
| Duties and Taxes (Input Credit)                   | (1,357,070)      | 3,760,894         |
| Employee payables                                 | 282,295          | 2,515,330         |
|   | <b>7,938,985</b> | <b>16,608,705</b> |
| <b>9 Short - Term Provisions</b>                  |                  |                   |
| Provision for Income Tax                          | 5,490,707        | 2,635,570         |
|   | <b>5,490,707</b> | <b>2,635,570</b>  |
| <b>11 Non - Current Investments</b>               |                  |                   |
| <b>Long Term, Non-Trade, unquoted and at Cost</b> |                  |                   |
| Joint Venture Investment                          |                  |                   |
| RAS Maestros Technology Pvt. Ltd.                 | 1,400,000        | -                 |
|   | <b>1,400,000</b> | <b>-</b>          |
| <b>12 Long-Term Loans and Advances</b>            |                  |                   |
| Deposit with Government Authorities               | 196,440          | 176,340           |
| TDS & Advance Tax                                 | 2,955,600        | 678,143           |
| MAT Credit  | 277,966          | 277,966           |
|   | <b>3,430,006</b> | <b>1,132,449</b>  |

**13 Inventories**

(At lower of cost and net realizable value)

|                 |                         |                         |
|-----------------|-------------------------|-------------------------|
| Raw Materials   | 5,429,658               | 1,853,236               |
| Work In Process | 740,882                 | 160,017                 |
| Finished Goods  | -                       | -                       |
|                 | <u><b>6,170,540</b></u> | <u><b>2,013,253</b></u> |

**14 Trade Receivables**

(Unsecured, considered good )

|   |                          |                          |
|---|--------------------------|--------------------------|
| Outstanding for a period exceeding six months | 873,631                  | 370,731                  |
| Others  | <u>32,508,826</u>        | <u>30,414,869</u>        |
|   | <u><b>33,382,457</b></u> | <u><b>30,785,600</b></u> |

**15 Cash and Bank balances**

**Cash and Cash Equivalents**

|                     |            |           |
|---------------------|------------|-----------|
| Cash on hand        | 65,950     | 769,613   |
| Balances with Banks | 14,147,282 | 1,073,732 |

**Other Bank Balances**

Fixed Deposits( Amounting to Rs. 1,81,45,402 and Rs.5130710 with banks held as security against overdraft Facility and Term Loan respectively).

|            |            |
|------------|------------|
| 59,143,845 | 60,324,395 |
|------------|------------|

**Total (a+b)**

|                   |                   |
|-------------------|-------------------|
| <b>73,357,077</b> | <b>62,167,740</b> |
|-------------------|-------------------|

**16 Short-Term Loans and Advances**

(Unsecured, considered good)

Loans and advances given to :

|                      |   |           |
|----------------------|---|-----------|
| Other Body Corporate | - | 1,400,000 |
|----------------------|---|-----------|

|           |   |           |
|-----------|---|-----------|
| Suppliers | - | 5,086,983 |
|-----------|---|-----------|

|           |        |        |
|-----------|--------|--------|
| Employees | 15,709 | 29,792 |
|-----------|--------|--------|

|               |           |         |
|---------------|-----------|---------|
| Other Parties | 1,156,939 | 947,880 |
|---------------|-----------|---------|

|  |   |         |
|--|---|---------|
| Balance With Statutory/Govrnment Authorities | - | 627,366 |
|--|---|---------|

|                  |                  |
|------------------|------------------|
| <b>1,172,648</b> | <b>8,092,021</b> |
|------------------|------------------|

**17 Other Current Assets**

|  |   |         |
|--|---|---------|
| Interest accrued on FDR with the Banks | - | 167,219 |
|--|---|---------|

|                  |   |        |
|------------------|---|--------|
| Prepaid Expenses | - | 73,666 |
|------------------|---|--------|

|                |
|----------------|
| <b>240,885</b> |
|----------------|

**NOTES ANNEXED TO AND FORMING PART OF STATEMENT OF PROFIT AND  
LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

**18 Revenue from Operations**

|                                    |                    |                    |
|------------------------------------|--------------------|--------------------|
| Sales of Products                  | 175,743,461        | 157,594,068        |
| Less :                             |                    |                    |
| Excised Duty                       | 10,347,674         | 14,594,047         |
| <b>Net Revenue from operations</b> | <b>165,395,787</b> | <b>143,000,021</b> |

**19 Other Income**

|                                   |                  |                  |
|-----------------------------------|------------------|------------------|
| Interest income on FDR with Banks | 5,494,063        | 3,753,643        |
| Sundry Balances written back      | -                | 99,545           |
| Others                            | -                | 690              |
|                                   | <b>5,494,063</b> | <b>3,853,878</b> |

**20 Cost of Material Purchased**

|            |                    |                   |
|------------|--------------------|-------------------|
| Imported   | 58,410,312         | 36,084,245        |
| Indigenous | 57,599,462         | 61,932,718        |
|            | <b>116,009,774</b> | <b>98,016,963</b> |

**21 Changes in inventories**

**Closing Inventories**

|                |                  |                  |
|----------------|------------------|------------------|
| Raw Material   | 5,429,658        | 1,853,236        |
| WIP            | 740,882          | 160,017          |
| Finished Goods | -                | -                |
|                | <u>6,170,540</u> | <u>2,013,253</u> |

Less :

**Opening Inventories**

|                |                           |                         |
|----------------|---------------------------|-------------------------|
| Raw Material   | 1,853,236                 | 5,547,592               |
| WIP            | 160,017                   | 38,206                  |
| Finished Goods | -                         | 3,500                   |
|                | <u>2,013,253</u>          | <u>5,589,298</u>        |
|                | <u><u>(4,157,287)</u></u> | <u><u>3,576,045</u></u> |

**NOTES ANNEXED TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE  
YEAR ENDED 31ST MARCH, 2015**

| Particulars                               | For the year<br>Ended 31st<br>March, 2015<br>Rs. | For the year<br>ended 31st<br>March, 2014<br>Rs. |
|---|--|--|
| <b>22 Employee Benefits</b>               |  |  |
| Salary and Wages                          | 22,228,391                                       | 17,500,535                                       |
| Contribution to Provident and Other Funds | 756,002  | 520,854  |
| Staff Welfare                             | 519,024  | 204,486  |
| Labour Charges                            | 308,248  | 137,378  |
|   | <b>23,811,665</b>                                | <b>18,363,253</b>                                |
| <b>23 Finance Costs</b>                   |  |  |
| Interest Expenses                         |  |  |
| on borrowings                             | 3,266,653  | 1,797,682  |
| Others                                    | 932,011  | 738,424  |
|   | <b>4,198,665</b>                                 | <b>2,536,106</b>                                 |
| <b>24 Other Expenses</b>                  |  |  |
| Legal and Professional                    | 2,634,196  | 2,230,741  |
| Security Charges                          | 192,000  | 182,000  |
| Travelling and Conveyance                 | 3,748,238  | 1,815,495  |
| Payments to the Auditors as :             |  |  |
| Audit Fees                                | 315,000  | 290,000  |
| Tax Audit Fess                            | 110,000  | 110,000  |
| Rates and Taxes                           |  | 16,000   |
| Insurance                                 | 101,704  | 33,313   |
| Electricity, Power, Fuel and Water        | 487,675  | 285,546  |
| Repairs and Maintenance                   |  |  |
| Machinery                                 | 945,811  | -  |
| Others                                    | 81,575   | 103,607  |
| Postage / Telephone / Internet            | 675,440  | 503,558  |
| Foreign Exchange Loss/(gain) (Net)        | 1,218,601  | (1,209,760)                                      |
| Printing and Stationery                   | 97,658   | 22,013   |
| Rent                                      | 97,300   | 1,038,601  |



---

|   |                   |                   |
|---|-------------------|-------------------|
| Advertising / Exhibition / Business Promotion | 1,166,831         | 101,266           |
| Freight Charges                               | 2,125,415         | 1,967,894         |
| Bank Charges                                  |                   | 646,804           |
| Miscellaneous Expenses                        | 1,225,554         | 698,791           |
| Sundry Balances Written off                   | -                 | 4,828,916         |
|   | <u>15,222,997</u> | <u>13,664,785</u> |

| NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2015 |                   |                   |            |                   |                  |                  |          |                   |                   |                   |
|---|-------------------|-------------------|------------|-------------------|------------------|------------------|----------|-------------------|-------------------|-------------------|
| Particulars   | Gross Block       |                   |            | Depreciation      |                  |                  |          | Net Block         |                   |                   |
|   | As at             | Additions         | Sales      | As at             | Upto             | For the          | Sales    | Total             | As at             | As at             |
|   | 1-Apr-14          |                   |            | 31-Mar-15         |                  |                  |          |                   | 1-Apr-14          | Year              |
| <b>A) Tangible Assets</b>   |                   |                   |            |                   |                  |                  |          |                   |                   |                   |
| Leasehold Land  | 13,187,210        | -                 | -          | 13,187,210        | 397,098          | 138,813          | -        | 535,911           | 12,651,299        | 12,790,112        |
| Office Premises   | -                 | -                 | -          | -                 | -                | -                | -        | -                 | -                 | -                 |
| Plant & Machinery   | 6,404,860         | -                 | -          | 6,404,860         | 1,000,006        | 417,836          | -        | 1,417,842         | 4,987,018         | 5,404,854         |
| Electricla Installations  | 671,385           | -                 | -          | 671,385           | 111,430          | 75,198           | -        | 186,628           | 484,757           | 559,955           |
| Furniture & Fixtures  | 3,019,207         | 1,417,079         | -          | 4,436,286         | 403,101          | 310,154          | -        | 713,255           | 3,723,031         | 2,616,106         |
| Office Equipments   | 259,017           | 53,525            | -          | 312,542           | 25,225           | 82,301           | -        | 107,526           | 205,016           | 233,792           |
| Air Conditioners  | 1,744,815         | -                 | -          | 1,744,815         | 149,896          | 555,303          | -        | 705,199           | 1,039,616         | 1,594,919         |
| Computer Systems  | 9,613,989         | 160,642           | -          | 9,774,631         | 3,647,397        | 1,898,935        | -        | 5,546,332         | 4,228,299         | 5,966,591         |
| Vehicles  | 6,028,737         | -                 | -          | 6,028,737         | 1,166,388        | 676,532          | -        | 1,842,920         | 4,185,817         | 4,862,349         |
| Factory Premises  | 32,118,937        | -                 | -          | 32,118,937        | 892,786          | 995,523          | -        | 1,888,309         | 30,230,628        | 31,226,152        |
| <b>Total</b>  | <b>73,048,157</b> | <b>1,631,246</b>  | <b>-</b>   | <b>74,679,403</b> | <b>7,793,327</b> | <b>5,150,595</b> | <b>-</b> | <b>12,943,922</b> | <b>61,735,481</b> | <b>65,254,832</b> |
| <b>B) Intangible Assets</b>   |                   |                   |            |                   |                  |                  |          |                   |                   |                   |
| License Fees  | 509,369           | 2,200,000         | -          | 2,709,369         | 202,997          | 412,887          | -        | 615,884           | 2,093,485         | 306,372           |
| <b>C) Capital WIP</b>   |                   |                   |            |                   |                  |                  |          |                   |                   |                   |
| Factory Premises  | -                 | 13,612,289        | -          | 13,612,289        | -                | -                | -        | -                 | 13,612,289        | -                 |
| <b>Total</b>  | <b>509,369</b>    | <b>15,812,289</b> | <b>-</b>   | <b>16,321,658</b> | <b>202,997</b>   | <b>412,887</b>   | <b>-</b> | <b>615,884</b>    | <b>15,705,774</b> | <b>306,372</b>    |
| <b>Grand Total</b>  | <b>73,557,526</b> | <b>17,443,535</b> | <b>-</b>   | <b>91,001,061</b> | <b>7,996,324</b> | <b>5,563,482</b> | <b>-</b> | <b>13,559,806</b> | <b>77,441,255</b> | <b>65,561,204</b> |
| Previous Year   | -                 | 34,490,330        | 23,132,563 | 73,557,526        | 4,125,753        | 3,870,569        | -        | 7,996,323         | 65,561,204        | 58,074,006        |

**MAESTROS ELECTRONICS AND TELECOMMUNICATIONS SYSTEMS LIMITED**

**25. ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON  
31<sup>ST</sup> MARCH, 2015**

**SIGNIFICANT ACCOUNTING POLICIES:**

**(a) Corporate Information**

Brief Business Activity:

Manufacturer and trader of Electronical, Medical & Telecommunication Instruments

**(b) Basis of Preparation of Financial Statements**

The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules 2006, (as amended) and the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

**(c) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**(d) Revenue recognition**

All incomes and expenditure are recognized as per 'Accounting Standard- 9' accounted on accrual basis except where stated otherwise.

**(e) Provision, Contingent Liabilities and Contingent Assets**

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

**(f) Foreign Currency Transactions**

(i) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.

(ii) Any gain or losses on account of exchange difference either on settlement or on transaction is recognized in the Profit & Loss Account

**(g) Fixed Assets**

**(i) Tangible fixed assets**

Tangible fixed assets are stated at cost, less a accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition price. Borrowing costs directly attributable to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent

they relate to the period till such assets are ready to for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase be put to use.

**(ii) Intangible fixed assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a basis which is estimated to be the useful life of the asset.

**(h) Depreciation**

Depreciation has been provided on Straight line method at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013 on pro-rata basis from the date assets have been put to use.

**(i) Impairment of assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in accordance with Accounting Standard-28 "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in at the lowest levels for which there are separately identifiable cash flows.

**(j) Investments**

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is of a permanent nature.

Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

**(k) Inventories**

Inventories are valued at cost or net realizable value whichever is lower.

**(l) Taxation**

**Provision for current tax is made as per the provisions of the Income-tax Act, 1961.**

**Deferred tax for the year is recognized on timing difference, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.**

**The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future, however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.**

**(l) Retirement Benefits**

**Liabilities in respect of bonus, gratuity, retirement benefit & leave encashment is being accounted for on Accrual basis.**

**(m) Earnings per share**

**The earnings considered in ascertaining the company's EPS comprise of the net profit after tax as**

per Accounting Standard 20 on “Earnings Per Share”, issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

(n) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(o) Prior Year Comparatives

Figures for the previous year have been regrouped and rearrange wherever necessary.

NOTES TO ACCOUNTS:

- 26. Balances of Loans and Advances, Secured Loans, Trade Payables & Others are subject to confirmation and reconciliation and consequential adjustments, if any.**
- 27. In the opinion of the Board & to the best of their knowledge & belief the value of realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet & the provisions for all the loans & determined liabilities is adequate and not in excess of the amount.**
- 28. Provision for retirement benefits to employees was provided on accrual basis, which is in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Statement of Profit & Loss.**
- 29. According to a technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.**
- 30. The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been made.**

**31. Earnings Per Share (AS-20) :**

The Earning per Share computed as per the requirement under Accounting Standard 20 on Earning per Share issued by The Institute of Chartered Accountant of India, is as under

|   | <u>2014-2015</u><br>(Rs.) | <u>2013-2014</u><br>(Rs.) |
|---|---------------------------|---------------------------|
| Profit Attributable to Equity Share Holders (After Tax) | 68,95,272                 | 45,45,526                 |
| Weighted Average Number of Equity Share (Nos.)          | 33,34,740                 | 32,79,945                 |
| Basic/ Diluted Earnings Per Share                       | 2.07                      | 1.39                      |
| Face Value per Equity Share                             | 10.00                     | 10.00                     |

- 32. According to a technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.**

**33. Related Party Transaction :**

Related Parties and Nature of Relationship:

| Related Party     | Nature of Relation ship |
|-------------------|-------------------------|
| B.T. Tendulkar    | Managing Director       |
| Nitin S. Paranjpe | Director                |
| Narendra Mahajani | Director                |
| Vasundhara Atre   | Director                |
| Murlidharan Nair  | Director                |

Note: Related Parties as disclosed by the management and relied upon by auditors

#### Related Party Transaction

| Particulars                            | Companies in which Directors are substantially interested | Key Management Personnel | Relative of Key Management Personnel |
|--|---|--------------------------|--------------------------------------|
| <b><u>Loan Transactions</u></b>        |   |                          |                                      |
| Gross Loans Given                      | -   | -                        | -                                    |
| Gross Loans Repaid                     | -   | -                        | -                                    |
| <b><u>Purchase</u></b>                 |   |                          |                                      |
| Purchase of shares                     |   |                          |                                      |
| <b>Credit Balance as on 31.03.2015</b> | -   | -                        | -                                    |
| <b>Debit Balance as on 31.03.2015</b>  | -   | -                        | -                                    |

#### Managerial Remuneration

| Particular                             | Amount           |
|--|------------------|
| <b>Managerial</b>                      | <b>23,83,500</b> |
| <b>Managerial Remuneration Payable</b> | <b>04,60,557</b> |

#### 34. Segment Information for the period ended

The Company's financial reporting is organized into two major operating divisions viz Electronics & Telecommunication Instrument and Telemedicine Instrument activity. These divisions are the basis on which the company reports its primary segment. The composition of these segments is given below

a. Type of Product & Services

| Sr. No. | Business Segment                             | Type of Product & Service |
|---------|--|---------------------------|
| 1.      | Electronics and Telecommunication Instrument | Industrial Panel Printer  |
| 2.      | Telemedicine Instrument                      | Healthcare Product        |

b. Primary Segment

| Sr. No.  | Particulars  | 2014-15            | 2013-14            |
|----------|--|--------------------|--------------------|
| <b>a</b> | <b>Segment Revenue</b>   |                    |                    |
| i        | Electronics and Telecommunication Instrument   | 100,147,038        | 135,362,849        |
| ii       | Telemedicine   | 65,248,748         | 7,637,171          |
|          | <b>Total</b>   | <b>165,395,786</b> | <b>143,000,020</b> |
|          | Less : Inter Segment Revenue   | -                  | -                  |
|          | <b>Net Sales / Income from Operations</b>  | <b>165,395,786</b> | <b>143,000,020</b> |
| <b>b</b> | <b>Segment Results before Tax &amp; Interest</b>   |                    |                    |
| i        | Electronics and Telecommunication Instrument   | 8,742,922          | 8,862,275          |
| ii       | Telemedicine   | 5,696,272          | 500,010            |
|          | Total  | 14,439,194         | 9,362,285          |
|          | Less : i. Interest   | 4,198,664          | 2,536,107          |
|          | ii. Other unallocable expenditure net of unallocable income  | -                  | -                  |
|          | <b>Total Profit before Tax</b>   | <b>10,240,530</b>  | <b>6,826,178</b>   |
| Note     | Segment Capital Employed :<br><br>Fixed assets used in Company's business or liabilities have not been identified to any reportable segment, as the fixed assets are used interchangeably between segments. It is currently not possible to furnish segmental disclosure relating to total assets and liabilities. |                    |                    |



**Additional information pursuant to the provisions of the Revised Schedule VI to the Companies Act, 1956:**

a) Value of Purchases, Sales & Inventories

| <b>Materials</b>   | <b>2014-15</b>     | <b>2013-14</b>     |
|--------------------|--------------------|--------------------|
|                    | Amount (Rs.)       | Amount (Rs.)       |
| <b>Purchases</b>   |                    |                    |
| Manufactured Goods | 110,685,198        | 91,941,631         |
| Traded Goods       | 26,727             | 5,402,729          |
| <b>Total</b>       | <b>110,711,925</b> | <b>97,344,360</b>  |
| <b>Sales</b>       |                    |                    |
| Manufactured Goods | 120,405,869        | 134,136,528        |
| Service            | 8,621,639          | 981,282            |
| Traded Goods       | 36,368,277         | 7,882,210          |
| <b>Total</b>       | <b>165,395,786</b> | <b>143,000,020</b> |
| <b>Inventories</b> |                    |                    |
| Raw Material       | 5,429,658          | 1,853,236          |
| WIP                | 740,882            | 155,265            |
| Finished Goods     | -                  | 4,752              |
| <b>Total</b>       | <b>6,170,540</b>   | <b>2,013,253</b>   |

b) Expenditure in Foreign Currency :

| <b>Particulars</b>    | <b>2014-2015<br/>Amount Rs.</b> | <b>2013-2014<br/>Amount Rs.</b> |
|-----------------------|---------------------------------|---------------------------------|
| Travelling - Overseas | 816,081                         | -                               |

c) Earnings in Foreign Currency :

| <b>Particulars</b> | <b>2014-2015<br/>Amount Rs.</b> | <b>2013-2014<br/>Amount Rs.</b> |
|--------------------|---------------------------------|---------------------------------|
| Export of Goods    | 19,197,675                      | 3,089,813                       |

d) Value of Imports on CIF Basis :

|               | <b>2014-15<br/>Amount Rs.</b> | <b>2013-14<br/>Amount Rs.</b> |
|---------------|-------------------------------|-------------------------------|
| Raw Materials | 58,410,312                    | 25,277,587                    |

36 Figures in brackets are related to previous year.

**As per our report of even date**

**For and on behalf of DMKH & Co.,  
Chartered Accountants,  
Firm Registration Number : 116886W**

**Harish Laddha  
(Partner)  
Membership No. 420513**

**Date: 30th May, 2015**

**For and on behalf of the Board of  
Directors**

|                          |                       |
|--------------------------|-----------------------|
| <b>Sd/-</b>              | <b>Sd/-</b>           |
| <b>B. K. Tendulkar</b>   | <b>N. P. Mahajani</b> |
| <b>Managing Director</b> | <b>Director</b>       |
| <b>DIN: 02448116</b>     | <b>DIN: 01048676</b>  |

**FORM NO MGT-11  
PROXY FORM**

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

CIN: U74900MH2010PLC200254

Name of the Company: **Maestros Electronics & Telecommunications Systems Limited**

Regd. Office: Plot No. E1/63, TTC Industrial Area, Electronic Zone, Mahape, Navi Mumbai 400701

Email: [compliance@maestros.net](mailto:compliance@maestros.net)

Website: [www.maestroselectronics.net](http://www.maestroselectronics.net)

Tel. 022-27611193/94, Fax: 022-2762 2153

|                        |  |
|------------------------|--|
| Name of the Member(s): |  |
| Registered Address:    |  |
| E mail Id:             |  |
| Folio No / Client ID:  |  |
| DP ID:                 |  |

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

Name: ..... Address: ..... or failing him

Name: ..... Address: ..... or failing him

Name: ..... Address: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, 29<sup>th</sup> September, 2015 at 3.30 p.m at Hotel celebrations, plot no. L-1, sector 19, Vashi, Navi Mumbai- 400 705 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business:**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Narendra Prabhakar Mahajani (DIN: 01048676), who retires by rotation and being eligible offers himself for re-appointment.
3. To Ratify the appointment of statutory Auditors of the Company

**SPECIAL BUSINESS:**

4. Increase in the Authorized Share Capital and alteration of the Capital Clause of the Memorandum of Association of the Company:
5. Approval of Managerial Remuneration of Mr. B.K.Tendulkar (DIN: 02448116), Managing Director.
6. Issue of Equity Shares and Equity Warrant on Preferential Allotment Basis

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

Signature of the Shareholder. \_\_\_\_\_

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

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

**MAESTROS ELECTRONICS &  
TELECOMMUNICATIONS SYSTEMS LIMITED**

Plot No.EL-63, TTC Industrial Area, Electronic Zone, MIDC, Mahape , Navi Mumbai -400710  
Tel. 022-27611193/94, Fax: 022-2762 2153 email : compliance@maestros.net  
Website: www.maestroelectronics.net. CIN: U74900MH2010PLC200254

**SIXTH (6<sup>TH</sup>) ANNUAL GENERAL MEETING**

Please fill this attendance slip and hand it over at the entrance of the venue of the meeting.

|                           |  |
|---------------------------|--|
| <b>Name</b>               |  |
| <b>Address</b>            |  |
| <b>No. of Shares held</b> |  |
| <b>DP ID No.</b>          |  |
| <b>Client Id No</b>       |  |
| <b>Regd. Folio No</b>     |  |

I certify that I am a member/ proxy / authorised representative for the member of the Company.

I hereby record my presence at the sixth Annual General Meeting of Maestros Electronics & Telecommunications Systems Limited on Tuesday, 29th september, 2015 at 3.30 p.m at Hotel celebrations, plot no. L-1, sector 19, vashi, navi mumbai- 400 705

\_\_\_\_\_  
Name of the Member / proxy (in block letters)

\_\_\_\_\_  
Signature of the Member / Proxy

**Maestros Electronics & Telecommunications Systems Limited**  
Regd. Office: Plot No. E1/63, TTC Industrial Area, Electronic Zone, Mahape, Navi Mumbai 400701  
CIN: U74900MH2010PLC200254 E-mail Id: compliance@maestros.net  
[Tel. 022 -27612471]

**BALLOT FORM**

**To be returned to scrutinizor appointed by  
Maestros Electronics & Telecommunications Systems Limited ("The Company")**

1. Name(s) of Member(s)  
(including joint-holders, if any)

2. Registered Folio No. /  
DPID No. / Client Id No.\*  
(\*Applicable to Members holding shares  
In dematerialized form)

3. Number of Shares Held:

4. I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) / Special Resolution(s) as specified in the Notice of **Maestros Electronics & Telecommunications Systems Limited** dated 28<sup>th</sup> August, 2015 to be passed through Ballot for the business stated in the said Notice by conveying my/our assent or dissent to the said resolution in the relevant box below:

| Item No. | Description  | Type of resolution (Ordinary / Special) | Number of Shares | I/We assent to the resolution (For) | I/We dissent to the resolution (For) |
|----------|--|---|------------------|-------------------------------------|--------------------------------------|
| 1.       | To receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Report of the Directors and the Auditors thereon | Ordinary                                |                  |                                     |                                      |
| 2.       | To appoint a Director in place of Mr. Narendra Prabhakar Mahajani (DIN: 01048676), who retires by rotation and being eligible offers himself for re-appointment.   | Ordinary                                |                  |                                     |                                      |
| 3.       | To Ratify the appointment of statutory Auditors of the Company   | Ordinary                                |                  |                                     |                                      |
| 4.       | Increase in the Authorized Share Capital and alteration of the Capital Clause of the Memorandum of Association of the Company:   | Special                                 |                  |                                     |                                      |
| 5.       | Approval of Managerial Remuneration of Mr. B.K.Tendulkar (DIN: 02448116), Managing Director.   | Special                                 |                  |                                     |                                      |
| 6.       | Issue of Equity Shares and Equity Warrant on Preferential Allotment Basis  | Special                                 |                  |                                     |                                      |

Place:

Date:

\_\_\_\_\_  
(Signature of Member / Beneficial Official Owner)

E mail: \_\_\_\_\_

Tel No. \_\_\_\_\_

**INSTRUCTIONS**

1. A Shareholder(s) desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer in the attached self addressed envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/speed post at the expense of the registered shareholder will also be accepted.
2. Alternatively, a Member may vote through electronic mode as per the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.
3. Consent must be accorded by either placing a tick mark ( $\surd$ ) in the appropriate column in the Ballot form. This Form should be completed and signed by the Shareholder(s) (as per the specimen signature registered/recorded with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
4. Duly completed Postal Ballot Form should reach the Company not later than 28<sup>th</sup> September, 2015 by 5:00 P.M. All Postal Ballot Forms received after this date will be strictly treated as if the reply from Shareholder(s) has not been received.
5. A Shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot form should reach the Scrutinizer not later than 28<sup>th</sup> September, 2015 by 5:00 P.M.
6. There will be only one Postal Ballot Form for every folio / Client ID irrespective of the number of joint Shareholder(s).
7. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board resolution/Power of Attorney / authority letter / attested specimen signatures, etc.
8. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding.
9. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected
10. The result of the Postal Ballot will be posted on the website of the Company.