

CIN / LLPIN : U74900MH2010PL200254



Date: 4th October, 2017

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001.

Scrip Code: 538401

Dear Sir /Madam,

SUB: SUBMISSION OF 8TH ANNUAL REPORT

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to submit herewith Annual Report for the Financial Year 2016-17 duly approved and adopted by the members in the 8th Annual General Meeting held on Thursday, 28th September 2017.

We hope you shall find the same in order and request you to take the same in records.

Thanking You

Yours Faithfully

For Maestros Electronics & Telecommunications Systems Limited

A circular purple stamp of Maestros Electronics & Telecommunications Systems Limited is overlaid with a handwritten signature in blue ink.

B. K. Tendulkar
Managing Director
DIN: 02448116
Address: 3003, Relish Apartment,
Nirmal Lifestyle,
Acc Compound Rd,
Mulund (West) Mumbai 400080

Maestros Electronics & Telecommunications Systems Limited

EL- 66, TTC Industrial Area, Electronic Zone, Mahape, Navi Mumbai - 400 710 Maharashtra, India
Tel. : +91-22-27611193 / 94, Fax : +91-22-27610093 ● Website : www.metsl.in / www.maestroelectronics.net



MAESTROS ELECTRONICS & TELECOMMUNICATIONS SYSTEMS LIMITED

**8th ANNUAL REPORT
2016-2017**

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Balkrishna Kamalakar Tendulkar

Chairman & Managing Director

Ms. Vasundhara Atre

Non-executive Independent Director

Mr. Narendra Prabhakar Mahajani

Non-executive director

Mr. Nitin Sadashiv Paranjape

Non-executive director

Mr. Muralidharan Karathedathuraman Nair

Non-executive Independent Director (Resigned w.e.f. 21st February, 2017)

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-101, 1st Floor, 247 Park,

Lal Bahadur Shastri Marg, Vikhroli (West)

Mumbai - 400083

REGISTERED OFFICE

Plot No. EL/66, TTC Industrial Area,

Electronic Zone, Mahape,

Navi Mumbai - 400 710.

PLANT LOCATIONS

Plot No. EI/66, TTC Industrial Area,

Electronic Zone, Mahape,

Navi Mumbai - 400 710.

NOTICE OF 8th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 8th ANNUAL GENERAL MEETING OF MAESTROS ELECTRONICS & TELECOMMUNICATIONS SYSTEMS LIMITED WILL BE HELD ON THURSDAY, 28th SEPTEMBER, 2017 AT 3.30 P.M , AT MAJESTIC COURT SAROVAR PORTIO, X-5/2, TTC INDUSTRIAL AREA, MAHAPE, NAVI MUMBAI 400710. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2017, 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 - 0116886W) as the Statutory Auditors of the Company, who were appointed by the members at their annual general meeting held on 22nd 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.

For and on behalf of the Board of Directors

Maestros Electronics & Telecommunications Systems Limited

Sd/-

B. K. Tendulkar
Managing Director
DIN: 02448116

Date: 11th August, 2017
Place : Navi Mumbai

Address: 3003, Relish Apartment,
Nirmal Lifestyle, Acc Compound Rd,
Mulund (West), Mumbai – 400 080.

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. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 22nd September 2017 to Thursday 28th September (both days inclusive).
4. 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-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai MH 400083.
5. Members are requested to bring their copy of the Annual Report at the Annual General Meeting.
6. 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.
7. 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.
8. 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.
9. Members are requested to immediately intimate changes, if any, in their registered addresses along with pin code number to the Company. Members holding shares in dematerialized mode are requested to intimate the same to their respective Depository Participants.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate risks associated with physical shares.
11. The Notice of the AGM along with the Annual Report 2016-17 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.

12. All documents referred to in the accompanying Notice 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.
13. 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.
14. 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.

15. **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 Sunday 24th September 2017 at 10 am E-voting period ends on-Wednesday 27thSeptember 2017 at 5pm 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 Thursday 21st Sept, 2017, 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
- 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 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:

	For Members holding shares in Demat Form and Physical Form
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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- 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 Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a 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.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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 22nd September, 2017.
- B) Ms. 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 under help section or write an email to 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) within two days of passing of resolutions and communication of the same to the BSE Limited.

Profile of Director

(Seeking Appointment/ Re-appointment)

As per Regulation 36 of SEBI (Listing Obligations and Disclosures Requirement)

Regulation, 2015 and SS - 2

Name	Narendra Prabhakar Mahajani
Age	49 Years
Date of Appointment	19/02/2010
Experience in functional area	Corporate finance, capital market, taxation, Forex risk Management and Corporate Laws
Qualification	B Com; FCA, FICWA
Terms and Condition of Appointment & Last Remuneration	1. Terms and conditions are as decided by the board. 2. No remuneration has been paid to him in the last year.
Directorship in other Companies (Public Limited Companies)	1. SKY INDUSTRIES LIMITED 2. ANTARIKSH INDUSTRIES LIMITED
Membership of Committees of other Public Companies (Audit Committee /Nomination Remuneration Committee/ Stakeholders Relationship Committee)	NIL
No. of Shares held in the company	50,750
First Appointment by the Board	19/02/2010
Relationship with other Director, Manager & KMP	Not applicable
Board Meeting attended (F.Y. 2016-17)	Six

ROUTE MAP

Landmark: Ghansoli Railway Station



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 : L74900MH2010PLC200254
Name of the Company : **Maestros Electronics & Telecommunications Systems Limited**
Regd. Office : Plot No. EL/66, TTC Industrial Area, Electronic Zone, Mahape Navi
Mumbai Thane - 400710
Email : compliance@metsl.in
Website : www.metsl.in
Phone : 022 -27611193/94

Name of the Member(s):	
Registered Address:	
E-mail Id:	
Folio No:	

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 Eighth Annual General Meeting of the Company, to be held on Thursday, 28th September, 2017 At 3.30 P.M situated at Majestic Court Sarovar Portio, X-5/2, TTC Industrial Area, Mahape, Navi Mumbai 400710 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	For	Against
Ordinary Business:			
1.	To receive, consider and adopt the audited Balance Sheet as at March 31, 2017, the Statement of Profit and Loss for the year ended on that date and 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- M/s. DMKH & Co., Chartered Accountants, Mumbai		

Signed this _____ day of _____, 2017

Signature of the Shareholder _____

Signature of Proxy holder(s) _____

**Please
affix the
Revenue
Stamp of
Re. 1**

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 (forty eight) hours before the commencement of the meeting.

MAESTROS ELECTRONICS & TELECOMMUNICATIONS SYSTEMS LIMITED

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

Tel.: 022-27611193/94, E-mail: compliance@metsl.in

Website: www.metsl.in CIN : L74900MH2010PLC200254

BALLOT FORM

To be returned to scrutinizer 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) as specified in the Notice of Maestros Electronics & Telecommunications Systems Limited dated 11th August, 2017 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, 2017, 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			

Place:

Date:

(Signature of Member / Beneficial Official Owner)

E mail : _____

Tel No. : _____

INSTRUCTIONS

1. Consent must be accorded by either placing a tick mark (√) 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.
2. There will be only one Ballot Form for every folio / Client ID irrespective of the number of joint Shareholder(s).
3. In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified true copy of Board resolution/Power of Attorney / authority letter / attested specimen signatures, etc.
4. The Scrutinizer's decision on the validity of a Ballot will be final and binding
5. Incomplete, unsigned or incorrect Ballot Forms will be rejected.
6. The result of the Ballot will be posted on the website of the Company.

**MAESTROS ELECTRONICS &
TELECOMMUNICATIONS SYSTEMS LIMITED**

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

Tel.: 022-27611193/94, E-mail: compliance@metsl.in

Website: www.metsl.in CIN : L74900MH2010PLC200254

EIGHTH (8th) ANNUAL GENERAL MEETING

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

Name of the Shareholder	
Address	
No. of Shares Held	
Registered Folio No.	

I certify that I am an authorized representative for the above named shareholder of the Company.

I hereby record my presence at the Eighth Annual General Meeting of on Thursday, 28th September, 2017 at 3.30 P.M situated at Majestic Court Sarovar Portio, X-5/2, TTC Industrial Area, Mahape, Navi Mumbai 400710

Name of the Member / Proxy (in block letters)

Signature of the Member / Proxy

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Eight Annual Report together with the Audited Accounts of the Company for the period ended 31st March, 2017.

1. Financial Highlights

(Amount in Rs)

Particulars	2016-17	2015-16
Total Income	13,36,62,736	11,88,13,474
Expenses	12,32,44,655	11,23,76,611
Profit & (Loss) before Tax	1,04,18,081	64,36,862
Exception and Extraordinary items	-	-
Profit & (Loss) before Tax	1,04,18,081	64,36,863
Less: Tax expense	33,05,512	19,85,811
Profit/Loss after tax	71,12,569	44,51,052

2. Review of Performance:

The total revenue from the operations for the year ended March 31, 2017 amounted to Rs. 128,531,769 as against Rs. 110,408,728 in a previous financial year 2015-16, and has increased by 16.41% over the last year.

Major events during the year:

1. Conversion of 3,40,000 Convertible Equity Warrants into Equity Shares on 8th June, 2016.

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. Narendra Prabhakar Mahajani and Dr. Nitin Paranjape are non-executive non independent Directors of the Company.

Mrs. Vasundhara Atre is non-executive independent director of the Company.

*Mr. Murlidharan Nair was Non Executive Independent Directors of the Company, resigned on 21st February 2017.

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 Mahajan, 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 the SEBI (Listing Obligations and Disclosure Requirements), 2015 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 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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.

Number of Board Meetings

During the Financial year 2016-17, total 6 (Six) meetings of the Board of Directors were held on 27th May, 2016, 8th June, 2016, 2th August, 2016, 12th August, 2016, 14th November, 2016 and 2nd February, 2017 respectively. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Audit Committee
2. Nomination and Remuneration Committee
3. 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 there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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:

In accordance with the opinion of the auditors, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017.

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 lay 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.

Green Initiatives:

Pursuant to Sections 101 and 136 of the Companies Act, 2013 The Company will be sending Annual Report through electronic mode i.e. email to all the shareholders who have registered their email addresses with the Company or with the Depository to receive Annual Report through electronic mode and initiated steps to reduce consumption of paper.

Human Resources:

Employees are considered to be team members being one of the most critical resources in the business which maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Polices and Systems. The Company maintains healthy, cordial and harmonious relations with all personnel and thereby enhancing the contributory value of the Human Resources.

Environment and Safety:

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental Regulations and preservation of natural resources. There was no major accident during the year.

Particulars of loans, guarantees and investments:

During the year under review the Company has not made any loans, guarantees and investments under Section 186.

Transactions with related parties:

The Company has not entered into any transactions/contracts/arrangements referred to in Section 188(1) of Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review.

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 31st March, 2017, 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 31st March, 2017 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 31st March, 2017, 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 Regulation 34 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the, is given separately which may be taken as forming part as "Annexure B" to this Report.

Report on Corporate Governance:

A report on Corporate Governance as stipulated under Regulation 17 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 C" to this Report.

Statutory Auditors:

M/s DMKH & Co, Chartered Accountants, Mumbai, (Registration Number – 0116886W) 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 of the Company

The Statutory Auditors viz. DMKH & Co, Chartered Accountants, Mumbai, (Registration Number – 0116886W) 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 31st March 2017:

The observations / qualifications / disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

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 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 D" to this Report.

Observations of Secretarial Auditors for the year ended 31st March 2017 and Management Reply:

- 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.

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 E" to this Report.

Material changes and commitments, if any, affecting the Financial Position of the Company:

Conversion of 3,40,000 Convertible Equity Warrants into Equity Shares on 21st April , 2017

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.

General Disclosures:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- I. The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- II. The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- III. The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- IV. During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
- V. No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

Change In the nature of Business:

There was no change in the nature of Company's business during the year under review.

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/-

Balkrishna Tendulkar
Managing Director & Chairman
DIN: 02448116
Address: 3003, Relish Apartment,
Nirmal Lifestyle, Acc Compound Rd,
Mulund (West) Mumbai 400080.

Place: Navi Mumbai

Date: 11th August 2017

Encl.: Annexure A to E

ANNEXURE A

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

(as on the financial year ended on 31.03.2016)

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L74900MH2010PLC200254
ii.	Registration Date	19/02/2010
iii.	Name of the Company	Maestros Electronics & Telecommunications Systems Limited
iv.	Category / Sub-Category of the Company	Company limited by Shares Non-govt company
v.	Address of the Registered office and contact details	Plot No. EL/66, TTC Industrial Area, Electronic Zone, Mahape, Navi Mumbai - 400710, Maharashtra.
vi.	Whether listed company	Yes Listed on BSE Limited.
vii.	Name, Address and Contact details of Registrar and Transfer Agent	Link Intime India Pvt. Ltd C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai- 400083

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Electronics and Telecommunication (Industrial Panel Printer)	26309	51.33
2.	Telemedicine Instrument (Healthcare Product)	2660	48.67

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Not Applicable

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 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) INDIAN									
a. Individual /HUF	20,34,004	26,036	20,60,040	51.8909	23,74,004	26,036	24,00,040	55.6861	(3.7952)
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corporate	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A (1) :	20,34,004	26,036	20,60,040	51.8909	23,74,004	26,036	24,00,040	55.6861	(3.7952)
(2) FOREIGN									
a. NRIs - Individuals	-	-	-	-	-	-	-	-	-
b. Others – Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corporate	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total A(2) :	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters A=A(1)+A(2)	20,34,004	26,036	20,60,040	51.8909	23,74,004	26,036	24,00,040	55.6861	(3.7952)
B. Public Shareholding									
1. INSTITUTIONS									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks / FI	11,250	-	11,250	0.2834	11,250	-	11,250	0.2610	0.0224
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Investor	-	-	-	-	642	-	642	0.0149	(0.0149)
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :	11,250	-	11,250	0.2834	11,892	-	11,892	0.2759	0.0075
2. NON-INSTITUTIONS									
a. Individuals	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital upto Rs.1 lakh	3,88,375	61,928	4,50,303	11.3428	4,10,170	59,978	4,70,148	10.9084	0.4344

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	8,45,500	14,392	8,59,892	21.6600	8,11,278	14,392	8,25,670	19.1573	2.5027
b. NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
c. Overseas Depositories	-	-	-	-	-	-	-	-	-
d. Employee Trusts	-	-	-	-	-	-	-	-	-
e. Others (specify)									
i. Clearing Members	2,787	1,733	4,520	0.1139	1,882	1,733	3,615	0.0839	0.0300
ii Hindu Undivided Family	8,628	3,727	12,355	0.3112	17,682	3,727	21,409	0.4967	(0.1855)
iii NRI (Repat)	35,450	-	35,450	0.8930	20,747	-	20,747	0.4814	0.4116
iv. NRI (Non-Repat)	2,550	-	2,550	0.0642	2,550	-	2,550	0.0592	0.0051
v. Bodies Corporate	5,26,085	7,500	5,33,585	13.4406	5,46,374	7,500	5,53,874	12.8511	0.5895
Sub-Total B(2) :	18,09,375	8,92,80	18,98,655	47.8257	18,10,683	87,330	18,98,013	44.0380	3.7877
Total Public Shareholding B=B(1)+B(2)	18,20,625	89,280	19,09,905	48.1091	18,22,575	87,330	19,09,905	44.3139	3.7952
Grand Total (A+B) :	38,54,629	1,15,316	39,69,945	100.00	41,96,579	1,13,366	43,09,945	100.00	0.00

ii. Shareholding of the Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% 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	6656	0.1677	-	6656	0.1544	-	0.0132
2	Dr Nitin Sadashiv Paranjpe	457099	11.5140	-	457099	10.6057	-	0.9083
3	Mr. Balkrishna Kamalakar Tendulkar	1465900	36.9249	-	1805900	41.9008	-	(4.9758)
4	Ms. Chitralekha K Menon	53599	1.3501	-	53599	1.2436	-	0.1065
5	Mr. B K Jhunjunwala	6386	0.1609	-	6386	0.1482	-	0.0127
6	Ms. Asha Jhunjunwala	6326	0.1593	-	6326	0.1468	-	0.0126
7	Mr. Vikas Jhunjunwala	6292	0.1585	-	6292	0.1460	-	0.0125
8	Ms. Anjali Jhunjunwala	5475	0.1379	-	5475	0.1270	-	0.0109
9	Mr. Nandlal Bhimrajka	657	0.0165	-	657	0.0152	-	0.0013
10	Mr. Bakhle Dhananjay Sadashiv	900	0.0227	-	900	0.0209	-	0.0018
11	Mr. Narendra Mahajani	50750	1.2784	-	50750	1.1775	-	0.1008
	Total	2060040	51.8909	-	2400040	55.6861	-	(3.7952)

iii. Change in Promoters' Shareholding

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Krishna Kumar Menon				
	At the beginning of the year	6656	0.1677	6656	0.1677
	Change during the year*	-	(0.0133)	6656	0.1544
	At the End of the year	6656	0.1544	6656	0.1544
2	Dr. Nitin Sadashiv Paranjpe				
	At the beginning of the year	457099	11.5140	457099	11.5140
	Change during the year*	-	(0.9083)	457099	10.6057
	At the End of the year	457099	10.6057	457099	10.6057
3	Mr. Balkrishna Tendulkar				
	At the beginning of the year	1465900	36.9249	1465900	36.9249
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year. Transfer: 20 Jan 2017	340000	4.9759	1805900	41.9008
	At the End of the year	1805900	41.9008	1805900	41.9008
4	Ms. Chitralekha K Menon				
	At the beginning of the year	53599	1.3501	53599	1.3501
	Change during the year*	-	(0.1065)	53599	1.2436
	At the End of the year	53599	1.2436	53599	1.2436
5	Mr. B K Jhunjunwala				
	At the beginning of the year	6386	0.1609	6386	0.1609
	Change during the year*	-	(0.0127)	6386	0.1482
	At the End of the year	6386	0.1482	6386	0.1482
6	Ms. Asha Jhunjunwala				
	At the beginning of the year	6326	0.1593	6326	0.1593
	Change during the year*	-	(0.0125)	6326	0.1468
	At the End of the year	6326	0.1468	6326	0.1468
7	Mr. Vikas Jhunjunwala				
	At the beginning of the year	6292	0.1585	6292	0.1585
	Change during the year*	-	(0.0125)	6292	0.1460
	At the End of the year	6292	0.1460	6292	0.1460

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
8	Ms. Anjali Jhunjunwala				
	At the beginning of the year	5475	0.1379	5475	0.1379
	Change during the year*	-	(0.0109)	5475	0.1270
	At the End of the year	5475	0.1270	5475	0.1270
9	Mr. Bakhle Dhananjay Sadashiv				
	At the beginning of the year	900	0.0227	900	0.0227
	Change during the year*	-	(0.0018)	900	0.0209
	At the End of the year	900	0.0209	900	0.0209
10	Mr. Narendra Mahajani				
	At the beginning of the year	50750	1.2784	50750	1.2784
	Change during the year*	-	(0.1009)	50750	1.1775
	At the End of the year	50750	1.1775	50750	1.1775
11	Mr. Nandlal Bhimrajka				
	At the beginning of the year	657	0.0165	657	0.0165
	Change during the year*	-	(0.0013)	657	0.0152
	At the End of the year	657	0.0152	657	0.0152

Note: * Change in Issued/Paid up Capital of the Company

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

Sr. No.		Shareholding at the beginning of the year 01.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Rajasthan Global Securities Private Limited				
	At the beginning of the year	153470	3.5608	153470	3.5608
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	(44690)	(1.0369)	108780	2.5239
	At the End of the year	108780	2.5239	108780	2.5239
2	Vinayak Deshpande				
	At the beginning of the year	109809	2.5478	109809	2.5478
	Date wise Increase (+) / Decrease (+) in Shareholding during the year. (Change in % Due to change in paid Up capital)	5491	0.1274	115300	2.6752

	At the End of the year	115300	2.6752	115300	2.6752
3	Bipin Ramchandra Kulkarni				
	At the beginning of the year	104298	2.4199	104298	2.4199
	Date wise Increase (+) / Decrease (-) in Shareholding during the year. (Transfer)	0	0	0	0
	At the End of the year	104298	2.4199	104298	2.4199
4	Evenmore Commodity Brokers Private Limited				
	At the beginning of the year	98137	2.2770	98137	2.2770
	Date wise Increase (+) / Decrease (+) in Shareholding during the year. (Change in % Due to change in paid Up capital)	0	0	0	0
	At the End of the year	98137	2.2770	98137	2.2770
5	Bonanza Portfolio Ltd				
	At the beginning of the year	95550	2.2170	95550	2.2170
	Date wise Increase (+) / Decrease (-) in Shareholding during the year. Transfer	0	0	0	0
	At the End of the year	95550	2.2170	95550	2.2170
6	Sunflow Fininvest Pvt Ltd				
	At the beginning of the year	56250	1.3051	56250	1.3051
	Date wise Increase (+) / Decrease (-) in Shareholding during the year. (Change in % Due to change in paid Up capital)	0	0	0	0
	At the End of the year	56250	1.3051	56250	1.3051
7	Gayatri Agarwal				
	At the beginning of the year	51677	1.1990	51677	1.1990
	Date wise Increase (+) / Decrease (-) in Shareholding during the year. (Change in % Due to change in paid Up capital)	0	0	0	0
	At the End of the year	51677	1.1990	51677	1.1990
8	Umesh Purushottam Chamdia				
	At the beginning of the year	41500	0.9629	19648	0.4559
	Date wise Increase (+) / Decrease (-) in Shareholding during the year. (Change in % Due to change in paid Up capital)	(21852)	(0.507)	(21852)	(0.507)
	At the End of the year	19648	0.4559	19648	0.4559
9	Saroj Jugal Maheshwari				
	At the beginning of the year	39953	0.9270	39953	0.9270
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	0	0	0	0
	At the End of the year	39953	0.9270	39953	0.9270

10	Vasundhara Atre				
	At the beginning of the year	50000	1.1601	50000	1.1601
	Date wise Increase (+) / Decrease (-) in Shareholding during the year.	0	0	0	0
	At the end of the year	50000	1.1601	50000	1.1601

v. Shareholding of Directors and Key Managerial Personnel :

Sr. No.		Shareholding at the beginning of the year 1.04.2016		Cumulative Shareholding during the year 31.03.2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Nitin Sadashiv Paranjape				
	At the beginning of the year	457099	11.5140	457099	11.5140
	Change during the year	-	(0.9083)	-	-
	At the End of the year	457099	10.6057	457099	10.6057
2	Mr. Narendra Prabhakar Mahajani				
	At the beginning of the year	50750	1.2784	50750	1.2784
	Change during the year*	-	(0.1009)	50750	1.1775
	At the End of the year	50750	1.1775	50750	1.1775
3	Mr. Balkrishna Tendulkar				
	At the beginning of the year	1465900	36.9249	1465900	36.9249
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year. Transfer: 20 Jan 2017	340000	4.9759	1805900	41.90083
	At the End of the year	1805900	41.9008	1805900	41.9008
4	Ms. Vasundhara Atre				
	At the beginning of the year	50,000	1.1601	50,000	1.1601
	Date wise Increase (+) / Decrease (-) in Shareholding during the year	0	0	0	0
	At the End of the year	50,000	1.1601	50,000	1.1601

V. INDEBTEDNESS:

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

	Secured Loans excluding de- posits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	259,006,97	-	-	259,006,97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	259,006,97	-	-	259,006,97
Addition	187,702,761	-	-	187,702,761
Reduction	174,825,832	-	-	174,825,832
Net Change	12,876,929	-	-	12,876,929
i) Principal Amount	38,777,626	-	-	38,777,626
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	38,777,626	-	-	38,777,626

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

(Amount in Rs)

Sl. No.	Particulars of Remuneration	Balkrishna Tendulkar	Total Amount
1	Gross Salary	2378400	2378400
	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil	Nil
	b. Value of perquisites under Section 17(2) of Income Tax Act, 1961	Nil	Nil
	c. Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	Nil	Nil
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	30,00,000	30,00,000

B. Remuneration to other Directors: Not Applicable

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

**C. Remuneration to Key Managerial Personnel other than MD / Manager/ WTD:
Not Applicable**

Sr.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
	Total	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)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of
Maestros Electronics & Telecommunications Systems Limited

Sd/-

Balkrishna Tendulkar

Managing Director & Chairman

DIN: 02448116

Address: 3003, Relish Apartment,
Nirmal Lifestyle, Acc Compound Rd,
Mulund (West) Mumbai 400080.

Place: Navi Mumbai
Date: 11th August, 2017

ANNEXURE B

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The Companies growth considering the past few years' performance has increased. The Company is taking necessary steps for increasing profits from year to year. The total revenue from the operations for the year ended March 31, 2017 amounted to Rs.128,531,769 as against Rs.110,408,728 in a previous financial year 2015-16, and has increased by 16.41% over the last year.

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 decreased substantially. The Company is constantly striving to increase the performance of its both the segments, particularly Telemedicine.

OUTLOOK:

Your Company, keeping pace with the overall market scenario has grown significantly in the past years. However, the financial performance of the Company has declined in the previous financial year. The Management expects to improve the growth in the years to come, subject to favourable 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 WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's revenue from operations has increased as compared to the previous financial year ended 31st March, 2016 for which it was Rs.110,408,728 to Rs. 128,531,769.

HUMAN RESOURCES

Your Company continuously endeavours 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/-

Balkrishna Tendulkar

Managing Director

DIN: 02448116

Address: 3003, Relish Apartment,
Nirmal Lifestyle, Acc Compound Rd,
Mulund (West) Mumbai 400080.

Date: 11th August, 2017

Place: Navi Mumbai

ANNEXURE C

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.

(2) Board of directors:

(a) composition and category of directors

Sr. No.	Names of Directors	Category
1.	Mr. Balkrishna Kamalakar Tendulkar DIN: (02448116)	Chairman & Managing Director
2.	Mr. Nitin Sadashiv Paranjape DIN: (00575053)	Non-Executive Director
3.	Mrs. Vasundhara Atre DIN: (02937582)	Non-Executive & Independent Director
4.	Mr. Narendra Prabhakar Mahajani DIN:(01048676)	Non-Executive Director
5.	*Mr. Muralidharan Karathedathuraman Nair DIN:(05217743)	Non-Executive & Independent Director

*Mr. Murlidharan Nair, Non Executive Independent Director of the Company had resigned w.e.f. 21st February 2017.

(b) Attendance of each director at the meeting of the board of directors and the last annual general meeting;

Name of the Director	No. of Board meetings attended during the financial year 2016-17	Attendance at the last AGM held on 28th September, 2016
Mr. B. K. Tendulkar	06	Present
Mr. Nitin Paranjape	03	Absent
Mr. Narendra Mahajani	06	Present
Mrs. Vasundhara Atre	06	Present
Mr. Murlidharan Nair	01	Absent

- (c) Number of other board of directors or committees in which a directors is a member or chairperson;

Name of the Director	No. of Directorships	No. of Committeea Membershipsb in Public Limited Companies	
		Memberships	Chairmanships
Mr. B. K. Tendulkar	03	NA	NA
Mr. Nitin Paranjape	04	NA	NA
Mr. Narendra Mahajani	15	NA	NA
Mrs.Vasundhara Atre	02	NA	NA
*Mr. Murlidharan Nair	02	NA	NA

(i) *Memberships/Chairmanships in the Audit Committees and Stakeholder' s Relationship Committees are only considered.*

(ii) *Membership of Committees includes Chairmanship, if any.*

- (d) Number of meetings of the Board of directors held and dates on which held;

Total 6 meetings held during the year

Sr. No.	Date of meeting	Names of Directors as on the date of meeting	Directors Present
1	27 th May, 2016	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre 5. Mr. Muralidharan Nair	1. Mr. B. K.Tendulkar 2. Mr. Narendra Mahajani 3. Mrs.Vasundhara Atre 4. Mr. Muralidharan Nair
2	08 th June, 2016	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre 5. Mr. Muralidharan Nair	1. Mr. B. K.Tendulkar 2. Mr. Narendra Mahajani 3. Mrs. Vasundhara Atre
3	02 th August, 2016	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre 5. Mr. Muralidharan Nair	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre

Sr. No.	Date of meeting	Names of Directors as on the date of meeting	Directors Present
4	12 th August, 2016	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre 5. Mr. Muralidharan Nair	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs. Vasundhara Atre
5	14 th November, 2016	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre 5. Mr. Muralidharan Nair	1. Mr. B. K.Tendulkar 2. Mr. Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre
6	14 th February, 2017	1. Mr. B. K.Tendulkar 2. Mr.Nitin Paranjape 3. Mr. Narendra Mahajani 4. Mrs.Vasundhara Atre 5. Mr. Muralidharan Nair	1. Mr. B. K.Tendulkar 2. Mr. Narendra Mahajani 3. Mrs.Vasundhara Atre

(e) Disclosure of relationships between directors inter-se; Not Applicable

(f) Code of Conduct

The Company has adopted a Code of Conduct for the members of the Board and the Senior Executives. All the members of the Board and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31st March, 2017 and a declaration to that effect signed by the Managing Director is given below.

I hereby confirm that:

“The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2016-17”

Balkrishna Kamalakar Tendulkar

Managing Director

DIN No. 02448116

g) Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting:

The provisions of Section 149 and 152(6) of the Companies Act, 2013 and rules made thereunder, stipulate that at least 1/3rd of the 2/3rd of the Directors of the Company other than independent directors, are liable to retire by rotation every year. Accordingly, Mr. Narendra PrabhakarMahajani retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

h) Number of shares and convertible instruments held by nonexecutive directors

Name of the Director	No of shares held	No. of convertible instruments held
Mr. Nitin Paranjape	457099	–
Mr. Narendra Mahajani	50750	–
Mrs. Vasundhara Atre	50000	–
Mr. Murlidharan Nair	–	–

(i) Web link where details of familiarisation programmes imparted to independent directors is disclosed:

The Company disclosed familiarisation programmes imparted to independent 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 extended by the Company to the investors, in a user friendly manner. The basic information about the Company as called for in terms of Regulation 46 of the SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015 is provided on this website and the same is updated regularly.

The weblink of the Company is www.metsl.in

(3) 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.

(a) Brief description of terms of reference;

The terms of reference of the Audit Committee are wide enough to cover the matters specified for Audit Committees under Regulation 18 of the SEBI (Listing Obligation And Disclosure Requirements) Regulation, 2015 as well as in Section 177 of the Companies Act, 2013.

(b) composition, name of members and chairperson;

Sr No.	Composition	Category of Directorship	Members/ Chairperson	No. of Meetings Attended
1.	Vasundhara Atre	Non-Executive & Independent Director	Chairman	4/4
2.	Narendra Mahajani	Non-Executive Director	Members	4/4
3.	*Murlidharan Nair	Non-Executive & Independent Director	Members	1/4

(c) meetings and attendance during the year.

During the year four meetings were held, i.e. on 27th May, 2016, 12th August, 2016, 14th November, 2016 and 14th February, 2017. All the Directors were present in the meeting except Mr. Murlidharan Nair.

*With effect from 21st February, 2017, Mr.Murlidharan Nair had resigned as a member of Audit Committee.

(4) Nomination and Remuneration Committee:

The Company has duly constituted Nomination and Remuneration Committee consisting of three Non-Executive Director out of which half of them are Independent Director complying with the provision of Section 178 of the Companies Act 2013 read with the rules made thereunder & Regulation 19 of SEBI(Listing Obligation And Disclosure Requirements) Regulation, 2015.

(a) brief description of 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.
- 2) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board an independence Policy of a director and recommend to the Board and to 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.

(b) composition, name of members and chairperson;

Sr No.	Composition	Category of Directorship	Members/ Chairperson	No. of Meetings Attended
1.	Vasundhara Atre	Non-Executive & Independent Director	Chairman	2/2
2.	Narendra Mahajani	Non-Executive Director	Members	2/2
3.	*Murlidharan Nair	Non-Executive & Independent Director	Members	0/2

(c) meeting and attendance during the year;

Two meeting of the Nomination and Remuneration Committee was held during the year.

All the Directors were present at the meeting.

*With effect from 21st February, 2017, Mr.Murlidharan Nair had resigned as a member of Nomination and Remuneration Committee, and Mr. Nitin Paranjape has been appointed as member of Nomination and Remuneration Committee w.e.f. 21st February, 2017.

(d) performance evaluation criteria for independent directors –

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI(Listing Obligation And Disclosure Requirements) Regulations, 2015 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.

(5) Remuneration of Directors:

Remuneration of Director	Financial Year 2016-17
Mr. Balkrishna Tendulkar	Rs. 23,78,400 P.A.

(a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity:

The non-executive Director of the Company had no pecuniary relationship with the vis-à-vis the listed entity.

(b) criteria of making payments to non-executive directors:

No payment is made to Non-Executive Directors

(c) disclosures with respect to remuneration:

No remuneration is being paid to Non-Executive Director

(i) all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

Not Applicable

(ii) details of fixed component and performance linked incentives, along with the performance criteria; Not Applicable

(iii) service contracts, notice period, severance fees; Not Applicable

(iv) stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable. Not Applicable

(6) Stakeholders' grievance committee:

The Board has Stakeholders Relationship Committee for speedy disposal of Grievances/ complaints relating to Shareholders/investors transfer of shares, non-receipt of declared dividend, non-receipt of Balancesheet and Profit & loss Account 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.

(a) name of non-executive director heading the committee;

Mr. Narendra Mahajani (Chairman)

(b) name and designation of compliance officer; Balkrishna Tendulkar

(c) number of shareholders' complaints received so far;

No complaints were received from the shareholders of the Company during the financial year 2016-2017.

(d) number not solved to the satisfaction of shareholders;

Not applicable

(e) number of pending complaints:

Not applicable

(7) General body meetings:

The Annual General Meeting of the Company as per Section 96 of the Companies Act 2013 for Financial Year 2015-16 was held on 28th September, 2016, 3.30 p.m at Navi Mumbai.

(a) location and time, where last three annual general meetings held;

Annual General Meeting for the last 3 financial year were held as under :-

Location	Time	Financial Year
Majestic Court SarovarPortio, X-5/2, TTC Industrial Area, Mahape,Navi Mumbai - 400710.	3.30 P.M	2015-16
Hotel Celebrations, Sector 19, Vashi, Navi Mumbai - 400705	3.30 P.M	2014-15
Hotel Celebrations, Sector 19, Vashi, Navi Mumbai-400705	3.30 P.M	2013-14

(b) whether any special resolutions passed in the previous three annual general meetings;

Yes

(c) whether any special resolution passed last year through postal ballot – No**(d) whether any special resolution is proposed to be conducted through postal ballot
- No****(e) procedure for postal ballot. Not Applicable****(8) Means of communication: Not Applicable****(a) quarterly results;**

Quarterly results of the Company are intimated by publication in newspapers and submission to Bombay Stock Exchange as per Regulation 33 of SEBI(Listing Obligation And Disclosure Requirements) Regulations, 2015

(b) newspapers wherein results normally published;

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 (AplMahanagar) Marathi daily newspaper circulating in Mumbai (where the Registered Office of the Company is situated).

(c) any website, where displayed;

www.metsl.in

(d) whether it also displays official news releases;

No

(e) presentations made to institutional investors or to the analysts.

Nil

(9) General shareholder information:

(a) Annual General Meeting

The Annual General Meeting (AGM) for the financial year 2016-17 will be held on Thursday, 28th September, 2017 at 3.30 P.M at Majestic Court Sarovar Portio, X-5/2, TTC Industrial Area, Mahape, Navi Mumbai - 400710.

(b) Financial Year;

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

(c) dividend payment date; Not Applicable

(d) the name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);-

Bombay Stock Exchange,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

The Company hereby confirms the payment of annual listing fees to the BSE Limited.

(e) stock code; 538401

(f) market price data- high, low during each month in last financial year;

Month & Year	BSE share price	
	Month's High (Rs.)	Month's Low (Rs.)
April 2016	38.55	33.50
May 2016	38.90	31.00
June 2016	37.95	30.00
July 2016	37.90	33.00
August 2016	38.40	28.35
September 2016	30.15	20.30
October 2016	22.00	17.85
November 2016	22.00	14.60
December 2016	22.20	17.40
January 2017	28.75	20.70
February 2017	35.40	24.80
March 2017	30.85	24.75

- (h) **in case the securities are suspended from trading, the directors report shall explain the reason thereof;**

Not applicable

- (i) **registrar to an issue and share transfer agents;**

Link Intime India Pvt. Ltd,

- (j) **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.

- (k) **distribution of shareholding as on 31st March, 2017.**

(in Rs)

Share holding of nominal value	Share holders		Share Amount	
	Number	% to Total	Number	% to Total
1-5000	915	76.1231	1271500	2.9502
5001-10000	119	9.9002	885550	2.0547
10001-20000	59	4.9085	892740	2.0713
20001-30000	22	1.8303	545950	1.2667
30001-40000	16	1.3311	575940	1.3363
40001-50000	10	0.8319	449570	1.0431
50001-100000	18	1.4975	1285610	2.9829
100001 and more	43	3.5774	37192590	86.2948
Total	1202	100	43099450	100

- (l) **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 31st March, 2017, 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	8,45,791	19.62%
Electronic Form with NSDL	33,50,788	77.75%
Physical Form	1,13,366	2.63%
Total	43,09,945	100%

- (m) outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity;

The Company does not have global depository receipts or American depository deposits. The Company has converted 3,40,000 equity warrants into equity shares in Financial Year 2016-17. Such conversion resulted in increase in the shareholding of the Company.

- (n) commodity price risk or foreign exchange risk and hedging activities; Not Applicable

- (o) plant locations;

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

- (p) 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 - 2761 0093
Email: compliance@metsl.in

(10) Other Disclosures:

- (a) **disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;** Not Applicable
- (b) **details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board 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 SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges as well as guidelines of SEBI. Since the date of listing of the company's shares on 17th 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 past period.

- (c) **details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee;**

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 posted on the website of the Company i.e. www.metsl.in

- (d) **details of compliance with mandatory requirements and adoption of the non-mandatory requirements;**

The Company has complied with all the mandatory requirements of Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. However, the Company is in process of adoption of Non-Mandatory Provisions of Regulation 27 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

- (e) **web link where policy for determining 'material' subsidiaries is disclosed;**

The Company does not have material subsidiaries. Hence no such policy has been adopted.

- (f) **web link where policy on dealing with related party transactions;**

www.metsl.in

- (g) **disclosure of commodity price risks and commodity hedging activities.**

Not Applicable

- (11) **Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof shall be disclosed.**

Not Applicable

- (12) **The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.**

None of the matters enlisted in Part E of Schedule II of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 has been adopted by the Company.

- (13) **The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.**

The following are the disclosures with respect to the compliances from regulation 17 to 27.

- a. The regulation 17 has been complied with.
- b. The regulation 18, 19 and 20 with respect to committees have been complied with.
- c. Regulation 21 with respect to risk management committee is not applicable to the Company.
- d. Regulation 22 has been complied with..
- e. Regulation 23 has been complied with.
- f. Regulation 24 is not applicable to the Company.
- g. Regulation 25 has been complied with.

- h. Regulation 26 has been complied with.
- i. Regulation 27 is not applicable to the Company.
- j. Regulation 46 (2) has been complied with.

D. Declaration signed by the chief executive officer stating that the members of the Board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.

The declaration is not applicable for the Company.

E. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.

Compliance of revised Regulation 27 of SEBI(Listing Obligations And Disclosure Requirements), Regulation, 2015 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 Regulation 27 of SEBI(Listing Obligations And Disclosure Requirement), Regulations, 2015

F. Disclosures with respect to demat suspense account/ unclaimed suspense Account:

Not Applicable

(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year:

Not Applicable

(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year:

Not Applicable

(c) number of shareholders to whom shares were transferred from suspense account during the year:

Not Applicable

(d) aggregate number of shareholder and the outstanding shares in the suspense account lying at the end of the year:

Not Applicable

(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares:-

Not Applicable

(f) Risk management system

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

For and on behalf of
Maestros Electronics & Telecommunications Systems Limited

Sd/-
Balkrishna Tendulkar
Managing Director & Chairman
DIN: 02448116
Address: 3003, Relish Apartment,
Nirmal Lifestyle, Acc Compound Rd,
Mulund (West), Mumbai – 400 080.

Place: Navi Mumbai
Date: 11th August 2017

ANNEXURE D

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2017

[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. EL/66, TTC Industrial Area,
Electronic Zone, Mahape, Navi Mumbai - 400 710.

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 31st March, 2017 ('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 31st March, 2017 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) (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 28th 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);**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with stock exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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,

The Company has converted 3,40,000 Convertible Equity Warrants to Equity Shares at a price of Rs. 27 per warrant/per share to B.K. Tendulkar.

For **Vijay Kumar Tiwari & Associates**

Company Secretary

Sd/-

(Vijay Tiwari)

ACS No: 33084

COP No: 12220

Place: Mumbai

Date: 11th August 2017

ANNEXURE E

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 2016-2017:**

Sr. No.	Particulars	Director's Remuneration In Rs.	Median remuneration of Employees In Rs.	Ratio
1.	Mr.BalkrishnaK.Tendulkar (Managing Director)	23,78,400/-	2,30,556.5	10.31:1

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 2016-2017:**

Sr. No.	Particulars	% Increase
1.	Mr. Balkrishna K.Tendulkar (Managing Director)	-
	Total	-

There has been no increase in remuneration of Mr. Balkrishna K.Tendulkar.

3. **Percentage increase in the median remuneration of employees in the financial year 2016-2017:**

Not applicable

4. **The number of permanent employees on the rolls of the Company:**

86 Permanent employees as on March 31, 2017

5. **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	10.20%
2.	Average percentile increase in the salary of the managerial personnel	-

6. 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

7. It is hereby affirmed that the Remuneration paid to the Director is as per the Remuneration Policy of the Company:

For Maestros Electronics & Telecommunications Systems Limited

Sd/-
B. K. Tendulkar
Managing Director
DIN: 02448116
Address: 3003, Relish Apartment,
Nirmal Lifestyle, Acc Compound Rd,
Mulund (West) Mumbai 400080

Date: 11th August, 2017
Place: Navi Mumbai

INDEPENDENT AUDITORS REPORT

To,

The Members of,

MAESTROS ELECTRONICS AND TELECOMMUNICATIONS SYSTEMS LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **MAESTROS ELECTRONICS AND TELECOMMUNICATIONS SYSTEMS LIMITED** (“the company”), which comprises Balance Sheet as at 31st March 2017, the Statement of Profit and Loss account 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

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

Auditor’s Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedure selected depends 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 assessment, 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 and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

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

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2017, and its Profit and its cash flow for the year ended on that date.

Emphasis of Matter

As referred in note number 35 to the financial statement, the company have not complied with section 203 & section 134 (1) of Companies Act, 2013. Our opinion is not qualified in respect of this matter

Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclosed in the Annexure 'A' statement on matters specified in paragraph 3 & 4 of the said order.
6. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid 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) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2016 from being appointed as a directors in terms of section 164(2) of the Act

- g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act") Annexure 'B' is enclosed to this report
- h) 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. As informed to us the Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in specified bank notes as defined in the notification S.O. 3407(E) dated the November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. (Refer Note No.34 of Notes To Accounts)
 - v. Based on audit procedures and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management

For DMKH & CO.
CHARTERED ACCOUNTANTS
FRN 0116886W
Sd/-
CA. Manish Kankani
M.No.158020

Place: Mumbai

Date: 29th May,2017

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 maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, company has complied with the provision of section 185 and 186 of the Companies Act, 2013 In respect of loans, investment, guarantees, and security.
- v. The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provision of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules,2015 with regards to the deposits accepted from the public are not applicable.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148of the Companies Act, 2013.
- vii. a. According to information and explanations given to us and on basis of our examination of the books of account, and records, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable..
- b. According to the information and explanations given to us, there is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore clause (xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has made a private placement of 3,40,000 equity shares. Accordingly, the provisions of clause 3 (xiv) of the Order are applicable to the Company.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, the provision of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. And accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For DMKH & CO.
CHARTERED ACCOUNTANTS
FRN 0116886W
Sd/-
CA. Manish Kankani
M.No.158020

Place: Mumbai

Date: 29th May,2017

REPORT ON INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

We have audited the internal financial controls over financial reporting of MAESTROS ELECTRONICS AND TELECOMMUNICATIONS SYSTEMS LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DMKH & CO.
CHARTERED ACCOUNTANTS
FRN 0116886W
Sd/-
CA. Manish Kankani
M.No.158020

Place: Mumbai

Date: 29th May,2017

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Notes	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	43,099,450	39,699,450
Reserves and Surplus	2	81,955,114	69,062,545
Money Received against share warrants		2,700,000	4,995,000
		127,754,564	113,756,995
Non-Current Liabilities			
Long-Term Borrowings	3	4,460,128	933,288
Deferred Tax Liabilities (Net)	4	1,415,528	1,020,016
Long-Term Provisions	5	3,751,387	3,408,659
		9,627,043	5,361,963
Current Liabilities			
Short-Term Borrowings	6	34,317,498	24,967,409
Trade Payables	7	35,738,269	54,528,566
Other Current Liabilities	8	1,302,957	1,721,741
Short-Term Provisions	9	10,896,246	7,986,246
		82,254,970	89,203,962
TOTAL		219,636,577	208,322,920
ASSETS			
Non-Current Assets			
Fixed Assets (Net)	10		
Tangible Assets		83,229,275	57,382,691
Intangible Assets		1,009,734	1,551,608
Capital work in progress		-	28,194,763
Non-Current Investments	11	-	1,400,000
Long-Term Loans and Advances	12	11,780,515	7,515,199
		96,019,524	96,044,261
Current Assets			
Inventories	13	15,047,481	5,978,530
Trade Receivables	14	34,107,623	32,030,652
Cash and Bank Balances	15	73,153,482	73,200,403
Short-Term Loans and Advances	16	1,218,000	1,018,000
Other Current Assets	17	90,467	51,074
		123,617,053	112,278,659
TOTAL		219,636,577	208,322,920
Summary of Significant Accounting Policies & Notes to the accounts form integral part of financial statements	25-36		

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

Manish Kankani

Partner

Membership No. 158020

B. K. Tendulkar

Managing Director

DIN: 02448116

N. P. Mahajani

Director

DIN: 01048676

Place : Mumbai

Date: 29th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Notes	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
1. Revenue			
Revenue from Operations (Net)	18	128,531,769	110,408,728
Other Income	19	5,130,967	8,404,746
Total		133,662,736	118,813,474
2. Expenses			
Cost of Material Consumed	20	74,513,901	64,283,425
Changes in inventories of finished goods and work in progress	21	(9,068,951)	(124,848)
Employee Benefits Expense	22	36,415,586	27,352,428
Finance Costs (Net)	23	3,585,030	2,371,869
Depreciation and Amortization Expense	10	6,111,257	6,500,860
Other Expenses	24	11,687,832	11,992,878
Total		123,244,655	112,376,611
3. Profit / (Loss) before exceptional and extraordinary items and tax (1-2)		10,418,081	6,436,862
4. Profit / (Loss) before tax		10,418,081	6,436,862
5. Tax expense:			
(a) Current tax expense for current year		2,910,000	2,495,539
(b) Current tax expense relating to prior years		-	-
(c) Deferred tax		395,512	(509,728)
		3,305,512	1,985,811
6. Profit / (Loss) from continuing operations after tax (4- 5) and carried to balance-sheet		7,112,569	4,451,051
Earnings per Equity Share (in Rs.) :			
(Face value of Rs 10/- per Equity Share)			
Basic		1.65	1.17
Diluted		1.51	1.09
Summary of Significant Accounting Policies & Notes to the accounts form integral part of financial statements	25-36		

As per our attached Report of even date

For and on behalf of DMKH & Co.,

Chartered Accountants,

Firm Registration Number : 116886W

Sd/-

Manish Kankani

Partner

Membership No. 158020

For and on behalf of Board Directors

Sd/-

B. K. Tendulkar

Managing Director

DIN: 02448116

Sd/-

N. P. Mahajani

Director

DIN: 01048676

Place : Mumbai

Date: 29th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	For the year ended 31 st March, 2017 Rs.	For the year ended 31 st March, 2016 Rs.
Profit before tax	10,418,081	6,436,863
Adjustments for:		
Depreciation and Amortization Expense	6,111,257	6,500,860
Sundry Balances no longer required written back / (off) (net)	(322,351)	(2,458,661)
Increase in long term provision	342,728	
Unrealised foreign exchange Loss/(gain) (Net)	(111,040)	(484,193)
Profit on Sale of Assets	(46,398)	
Interest Expenses	3,585,030	2,371,869
Interest Income	(4,651,178)	(5,452,574)
Operating profit before working capital changes	15,326,129	6,914,164
(Increase) / Decrease in Inventories	(9,068,951)	192,010
(Increase) / Decrease in Trade Receivables	(1,754,620)	4,294,659
(Increase) / Decrease in Short-term Loans and Advances and Other Assets	(128,353)	103,574
Increase / (Decrease) in Trade Payables	(18,790,297)	
Increase / (Decrease) in Short-term borrowings	9,350,089	
Increase / (Decrease) in Other Current Liabilities	(418,783)	495,912
Cash generated from / (used in) operations	(5,484,787)	12,000,318
Less :		
Income Tax Paid	(11,044,575)	(1,985,811)
Net cash from / (used in) Operating activities (A)	(16,529,362)	10,014,507
Cash flow from Investing activities		
Purchase of Fixed Assets	(34,675,645)	(16,188,670)
Sale of Fixed Assets	31,500,839	-
Proceeds From sale on Investment	1,400,000	-
Loans & Advances given	6,779,259	(4,085,193)
Interest Received	4,651,178	5,452,574
Net cash used in Investing activities (B)	9,655,632	(14,821,289)
Cash flow from Financing activities		
Proceeds received from issue of equity share capital	3,400,000	2,900,000
Security Premium received on issue of share capital	5,780,000	4,930,000
Money Received against share warrants	(2,295,000)	4,995,000
Proceeds from Borrowings (net)	3,526,840	(5,803,023)
Interest paid during the year	(3,585,030)	(2,371,869)
Net cash from Financing activities (C)	6,826,810	4,650,108

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	For the year ended 31 st March, 2017 Rs.	For the year ended 31 st March, 2016 Rs.
Net increase /(Decrease) in cash and cash equivalents (A + B + C)	(46,921)	(156,674)
Add: Cash and cash equivalents at the beginning of the year	73,200,403	73,357,077
Cash and cash equivalents at the end of the year	73,153,482	73,200,403
Reconciliation of Cash and Bank Balances		
Cash and Bank Balances	73,153,482	73,200,403
Less : Overdrawn Bank Balances	-	-
Less : Deposits more than 3 months	(63,401,172)	(58,926,026)
Less : Margin Money Balances	-	-
Cash and Cash Equivalents as at the end of the year	9,752,310	14,274,377

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 Board Directors

Sd/-
Manish Kankani
Partner
Membership No. 158020

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

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

Place : Mumbai
Date: 29th May, 2017

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	As at 31 st March, 2017 Rs.	As at 31 st March, 2016 Rs.
1 Share Capital		
(a) Authorised 50,00,000 Equity Shares of Rs. 10 each	50,000,000	50,000,000
(b) Issued, Subscribed and Paid up 43,09,945 Equity Shares of Rs 10 each	43,099,450	39,699,450
Total	43,099,450	39,699,450

Reconciliation of number of Shares and Amount	Number of Shares	Amount (Rs.)	Number of Shares	Amount (Rs.)
(c) As per last financial statement	3,969,945	39,699,450	3,679,945	36,799,450
Add : Changes during the year	340,000	3,400,000	290,000	2,900,000
Less : Shares bought back during the year	-	-	-	-
Balance as at the year end	4,309,945	43,099,450	3,969,945	39,699,450

(d) Shareholders holding more than 5%	Number of shares	% of Holding	Number of shares	% of Holding
i) Balkrishna K. Tendulkar	1,805,900	41.90	1,465,900	36.92
ii) Dr. Nitin S. Paranjpe	457,099	10.61	457,099	11.51

(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 entitle to one vote per share.

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

The Company has allotted 3,40,000 Equity shares ranking pari passu with existing equity shares at the Board Meeting.

Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
2 Reserves and Surplus		
a. Capital Reserves	15,146,125	15,146,125
b. Surplus/(Deficit) in the Statement of Profit and Loss		
As per last Financial Statement	46,934,420	42,483,368
Add: Profit as per the annexed Statement of Profit and Loss	7,112,569	4,451,052
	54,046,989	46,934,420

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
c. Securities Premium Reserve		
Balance as per Last Balance sheet		
Add : on issue of Share	6,982,000	-
	5,780,000	6,982,000
	12,762,000	6,982,000
Total (a + b + c)	81,955,114	69,062,545
Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
3 Long-term Borrowings		
Secured Loans :		
i) Vehicle Loan from Bank	420,469	933,288
ii) Term Loan from Bank	4,039,659	-
	4,460,128	933,288
Rs. 4,20,469/- secured by way of, exclusive hypothecation charge on vehicle for which loan taken. The term loan is payable in 45 monthly installments up to December, 2017.		
Rs. 40,39,659/-Term Loan secured by way of Fixed Deposit.		
4 Deferred Tax Liabilities (Net)		
Timing differences on account of :		
Opening balance	1,020,016	1,529,744
Book and tax depreciation	499,251.98	(368,856)
Leave Encashment and Gratuity	(103,739.95)	(140,872)
	1,415,528	1,020,016
5 Long-Term Provisions		
Provision for Employee Benefits		
Gratuity	2,907,794	2,760,398
Leave Encashment	843,593	648,261
	3,751,387	3,408,659

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
6 Short-Term Borrowings		
Overdraft and Cash Credit Facility		
Dena Bank	19,884,203	17,774,256
HDFC Bank	14,433,295	7,193,153
Loans and advances from related party		
Unsecured	-	-
	34,317,498	24,967,409

Overdraft facility has secured by way of, exclusive hypothecation charge on Fixed Deposit, it carries interest rate of 8.50% 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 11.85% p.a. repayable on demand.

Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
7 Trade Payables		
Micro, Small and Medium Enterprises	1,029,092	-
Others	34,709,176	54,528,566
	35,738,269	54,528,566
8 Other Current Liabilities		
Advances received from customers	2,182,146	1,602,025
Other Payables		
Duties and Taxes (Input Credit)	(1,394,153)	(319,148)
Other O/s Liabilities	35,500	-
Employee payables	479,464	438,864
	1,302,957	1,721,741
9 Short - Term Provisions		
Provision for Income Tax	10,896,246	7,986,246
	10,896,246	7,986,246

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

10. Fixed Assets

Particulars	Gross Block			Depreciation			Net Block		
	As at 1-Apr-16	Additions	Sales	As at 31-Mar-17	Upto 1-Apr-16	For the Year	Total 31-Mar-17	As at 31-Mar-17	As at 31-Mar-16
A) Tangible Assets									
Leasehold Land	13,187,210	-	-	13,187,210	674,724	138,813	813,537	12,373,673	12,512,486
Plant & Machinery	6,404,860	94,950	-	6,499,810	1,877,005	460,176	2,337,181	4,162,629	4,527,855
Electricla Installations	671,385	-	-	671,385	276,915	90,287	367,202	304,183	394,470
Furniture & Fixtures	5,653,314	24,000	-	5,677,314	1,346,291	635,335	1,981,626	3,695,688	4,307,023
Office Equipments	369,018	57,596	-	426,614	224,265	94,046	318,311	108,303	144,753
Air Conditioners	1,873,260	-	-	1,873,260	1,371,329	236,972	1,608,301	264,959	501,931
Computer Systems	9,978,878	379,117	-	10,357,995	7,549,954	1,903,089	9,453,043	904,952	2,428,924
Vehicles	6,028,737	563,067	1,181,827	5,409,977	2,662,621	691,250	2,750,646	2,659,331	3,366,116
Factory Premises	32,118,937	-	-	32,118,937	2,919,804	1,031,495	3,951,299	28,167,638	29,199,133
Office Premises	-	30,875,839	-	30,875,839	-	287,920	287,920	30,587,919	-
Total	76,285,599	31,994,569	1,181,827	107,098,341	18,902,908	5,569,383	23,869,066	83,229,275	57,382,691
B) Intangible Assets									
License Fees	2,709,369	-	-	2,709,369	1,157,761	541,874	1,699,635	1,009,734	1,551,608
C) Capital WIP									
Factory Premises	28,194,763	2,681,076	30,875,839	-	-	-	-	-	28,194,763
Total	30,904,132	2,681,076	30,875,839	2,709,369	1,157,761	541,874	1,699,635	1,009,734	29,746,371
Grand Total	107,189,731	34,675,645	32,057,666	109,807,710	20,060,669	6,111,257	25,568,701	84,239,009	87,129,062
Previous Year	91,001,061	16,188,670	-	107,189,731	13,559,806	6,500,860	20,060,666	87,129,062	77,441,255

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
11 Non - Current Investments		
Long Term, Non-Trade, unquoted and at Cost		
Audio Compass(India) Pvt.Ltd	-	1,400,000
(Formerly Known as RAS Maestros Technology Pvt. Ltd.)	-	1,400,000
12 Long-Term Loans and Advances		
Deposit with Government Authorities	735,940	486,440
TDS & Advance Tax	11,044,575	7,028,759
	11,780,515	7,515,199
13 Inventories		
Raw Materials	8,202,081	5,112,800
Work In Process	6,845,400	865,730
Finished Goods	-	-
Finished Goods	15,047,481	5,978,530
14 Trade Receivables		
(Unsecured, considered good)		
Outstanding for a period exceeding six months	9,986,631	1,358,338
Others	24,120,992	30,672,314
	34,107,623	32,030,652
15 Cash and Bank balances		
Cash and Cash Equivalent		
Cash on hand	104,480	144,358
Balances with Banks	9,647,830	14,130,019
Other Bank Balances		
Fixed Deposits (Amounting to Rs. 1,92,08,966 with bank held as security against overdraft Facility)	63,401,172	58,926,026
Total (a+b)	73,153,482	73,200,403
16 Short-Term Loans and Advances		
(Unsecured, considered good)		
Loans and advances given to :		
Employees	200,000	-
Other Parties	1,018,000	1,018,000
	1,218,000	1,018,000

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
17 Other Current Assets		
Prepaid Expenses	90,467	51,074
	90,467	51,074

NOTES ANNEXED TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

18 Revenue from Operations		
Sales of Products	137,855,335	116,917,592
Less :		
Excise Duty	9,323,566	6,508,864
Net Revenue from operations	128,531,769	110,408,728
19 Other Income		
Interest income on FDR with Banks	4,651,178	5,452,574
Sundry Balances written back	322,351	2,460,542
Foreign Exchange gain	111,040	484,193
Profit on Sale of Assets	46,398	7,437
	5,130,967	8,404,746
20 Cost of Material Consumed		
Imported	38,910,699	8,410,610
Indigenous	35,603,202	55,872,815
	74,513,901	64,283,425
21 Changes in inventories		
Closing Inventories		
WIP	6,845,400	865,730
Raw Material	8,202,081	-
	15,047,481	865,730
Less :		
Opening Inventories		
WIP	865,730	740,882
Raw Material	5,112,800	-
	5,978,530	740,882
	(9,068,951)	(124,848)

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	For the year Ended 31 st March, 2017 Rs.	For the Year Ended 31 st March, 2016 Rs.
22 Employee Benefits		
Salary and Wages	33,898,319	25,428,531
Contribution to Provident and Other Funds	1,398,958	887,312
Staff Welfare	783,514	786,808
Labour Charges & Other Allowances	334,795	249,777
	36,415,586	27,352,428
23 Finance Costs		
Interest Expenses on borrowings	2,737,875	2,368,858
Others	847,155	3,011
	3,585,030	2,371,869
24 Other Expenses		
Legal and Professional Fees	2,051,586	1,938,632
Security Charges	155,103	196,300
Travelling and Conveyance	1,976,202	1,754,588
Payments to the Auditors as :	-	
-Audit Fees	150,000	150,000
-Tax Audit Fees	50,000	50,000
Rates and Taxes	-	22,078
Insurance	103,230	144,910
Electricity, Power, Fuel and Water	685,206	666,423
Repairs and Maintenance	-	
Machinery	91,100	83,626
Others	580,548	476,766
Postage / Telephone / Internet	642,116	741,600
Printing and Stationery	207,726	148,453
Rent	537,678	514,000
Advertising / Exhibition / Business Promotion	1,021,248	791,997
Freight Charges	1,318,590	1,503,292
Bank Charges	-	786,667
Commission and Brokerge	964,000	
Miscellaneous Expenses	977,079	2,021,664
ISO Certification Charges	47,956	-
Swatch Bharat Cess Expenses	29,233	-
Testing Charges	70,950	-
Trade Marks	20,000	-
Transport Charges	8,280	-
Sundry Balances Written off	-	1,881
	11,687,832	11,992,878

25. ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2017

SIGNIFICANT ACCOUNTING POLICIES:

(a) Corporate Information

Brief Business Activity:

Manufacturers and traders of Electrical, 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 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.

(m) **Retirement Benefits**

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

(n) 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.

(o) 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.

(p) 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

	2016-2017 (Rs.)	2015-2016 (Rs.)
Profit Attributable to Equity Share Holders (After Tax)	71,12,569	44,51,052
Weighted Average Number of Equity Share (Nos.)	43,09,945	37,98,005
Basic/ Diluted Earnings Per Share	1.51	1.17
Face Value per Equity Share	10.00	10.00

32. Related Party Transaction :

Related Parties and Nature of Relationship:

Related Party	Nature of Relation ship
Balkrishna K. Tendulkar	Managing Director
Nitin S. Paranjpe	Director
Narendra Mahajani	Director
Vasundhara Atre	Director

Managerial Remuneration

Particular	Amount in Rs.
Managerial Remuneration Paid	23,78,400
Managerial Remuneration Payable	4,67,981

33. 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

(Amount Rs.)

Sr. No.	Particulars	2016-17	2015-16
a	Segment Revenue		
i	Electronics and Telecommunication Instrument	6,59,73,613	74,182,724
ii	Telemedicine	6,25,58,156	36,226,004
	Total	12,85,31,769	110,408,728
	Less : Inter Segment Revenue	-	-
	Net Sales / Income from Operations	12,85,31,769	110,408,728
b	Segment Results before Tax & Interest		
i	Electronics and Telecommunication Instrument	71,87,607	6,447,070
ii	Telemedicine	68,15,504	3,148,329
	Total	1,40,03,111	9,595,399
	Less : i. Interest	35,85,030	3,158,536
	ii. Other unallocable expenditure net of unallocable income	-	-
	Total Profit before Tax	1,04,18,081	6,436,863

Note Segment Capital Employed :

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

34. Disclosure on Specified Bank Notes (SBNs)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below.

Particulars	For the P.E. 30.12.2016		
	SBNs*	Other Denomination note	Total
Closing Cash In Hand as on 08/11/2016	5,22,500	83,760	6,06,260
ADD: Permitted Receipt	23,000	3,920	26,920
Cash withdrawals from bank	-	1,38,000	1,38,000
LESS: Permitted Payment	-	1,42,555	1,42,555
Amount Deposited in Bank	5,45,500	-	5,45,500
Closing Cash In Hand as on 30/12/2016	-	83,125	83,125

*For the purposes of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance Department of Economic Affairs number S.O. 3407(E) dated the 8th November, 2016.

35. The company being listed company required to follow section 203 & 134 (1), However, the view of absence of appropriate candidate for filing vacancy of Company Secretary have not appointed. The said Key Managerial Personnel as per section 203 and to the extent 134(1) Signing of financial statement have been considered only by director. However, the management has considered the matter in the process of appointing Company Secretary.
36. Additional information pursuant to the provisions of the Schedule III to the Companies Act, 2013:
- a) Value of Purchases, Sales & Inventories

Materials	2016-17	2015-16
Purchases		
Manufactured Goods	61,846,538	51,426,740
Traded Goods	12,667,363	12,856,685
Total	74,513,901	64,283,425
Sales		
Manufactured Goods	107,024,014	88,273,247
Service	11,944,061	2,551,993
Traded Goods	9,563,694	19,583,489
Total	128,531,769	110,408,728
Inventories		
Raw Material	8,202,081	5,112,800
WIP	6,845,400	865,730
Finished Goods	-	-
Total	15,047,481	5,978,530

b) Expenditure in Foreign Currency :

Particulars	2016-17	2015-16
Travelling - Overseas	519,646	66,895

c) Earnings in Foreign Currency :

Particulars	2016-17	2015-16
Export of Goods	21,364,033	19,934,234

d) Value of Imports on CIF Basis :

Particulars	2016-17	2015-16
Raw Materials	38,910,699	8,410,610

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

For and on behalf of Board Directors

Sd/-

Manish Kankani
Membership No. 158020

Sd/-

B. K. Tendulkar
Managing Director
DIN: 02448116

Sd/-

N. P. Mahajani
Director
DIN: 01048676

Place : Mumbai
Date: 29th May, 2017



If undelivered please return to :

MAESTROS ELECTRONICS & TELECOMMUNICATIONS SYSTEMS LIMITED
REGISTERED OFFICE
Plot No. EL/66, TTC Industrial Area,
Electronic Zone, Mahape,
Navi Mumbai - 400 710.