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BOARD OF DIRECTORS

DR. KRISHNA KUMAR MENON : CHAIRMAN & MANAGING DIRECTOR
MR. RAJIV NAIR : EXECUTIVE DIRECTOR
MR. MURALIDHARAN NAIR : INDEPENDENT NON EXECUTIVE DIRECTOR
MR. NILADRI MONDAL : INDEPENDENT NON EXECUTIVE DIRECTOR

REGISTERED OFFICE

PLOT NO. EL-63 T.T.C INDUSTRIAL AREA
ELECTRONIC ZONE, M.I.D.C,
MAHAPE, NAVI MUMBAI – 400 710.
MAHARASHTRA
TEL. NO.: +91-22-4119 3100 / 3200
FAX NO.: +91-22-2762 2153
E-MAIL: accounts@maestros.net
WEBSITE: www.medi-line.com, www.maestros.net

PLANT LOCATIONS:

UNIT I:

PLOT NO.EL-63 T.T.C INDUSTRIAL AREA,
ELECTRONIC ZONE, M.I.D.C.,
MAHAPE, NAVI MUMBAI – 400 710.

UNIT II:

PLOT NO.82-A, SECTOR I,
INDUSTRIAL AREA, PARWANOO,
DIST. SOLAN – 173 220.
HIMACHAL PRADESH

AUDITORS

R A R & ASSOCIATES
CHARTERED ACCOUNTANTS

BANKERS

STATE BANK OF INDIA

REGISTRAR & SHARE TRANSFER AGENTS

LINK INTIME INDIA PRIVATE LIMITED
C-13 PANNALAL SILK MILLS COMPOUND,
L. B. S MARG, BHANDUP (WEST),
MUMBAI – 400 078.
TEL NO.: +91-22-5555 5454
FAX NO.: +91-22-2567 2693.

NOTICE is hereby given that the Fortieth Annual General Meeting of Maestros Mediline Systems Limited will be held at Hotel Celebrations, Plot No. L-1, Sector 19, Vashi, Navi Mumbai – 400 705 on Monday, December 30, 2013 at 3.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Auditors' Report and Audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended on that date together with notes and schedules attached thereto.
2. To appoint the retiring auditors, M/s. R A R and Associates (Formerly known as M/s. Anil Goyal & Co.), Chartered Accountants, as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.
The retiring auditors are eligible for re-appointment and have confirmed their willingness to accept office, if re-appointed.
3. To appoint a director in place of Mr. Rajiv Nair who retired by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Appointment of directors:-

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Muralidharan Nair, who was appointed as additional director by the Board of directors of the company pursuant to section 260 of the Companies Act, 1956 and who holds office only upto the date of Annual General Meeting and in respect of whom the Company has received notice in writing, under Section 257 of the Companies Act, 1956, from Mr Bipin Wali member signifying his intention to propose Mr. Muralidharan Nair as candidate for the office of Director of the Company, be and is hereby appointed a Director of the Company liable to retire by rotation."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an ordinary resolution:-

"RESOLVED THAT Mr. Niladri Mondal, who was appointed as additional director by the Board of directors of the company pursuant to section 260 of the Companies Act, 1956 and who holds office only upto the date of Annual General Meeting and in respect of whom the Company has received notice in writing, under Section 257 of the Companies Act, 1956, from Mr. Sudhir Shetty member signifying his intention to propose Mr. Niladri Mondal as candidate for the office of Director of the Company, be and is hereby appointed a Director of the Company liable to retire by rotation."

By Order of the Board of Directors

Dr. Krishnakumar Menon
(Chairman & Managing Director)

Place: Navi Mumbai
Date: 7th December, 2013

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

The instrument of proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

2. All documents referred to in the above Notice are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. to 12.30 p.m. upto the date of the Annual General Meeting.
3. Members/ Proxies should bring the Attendance slips duly filled in for attending the meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 25th December, 2013 to 30th December, 2013 (both days inclusive).
5. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed herewith.

By Order of the Board of Directors

Dr. Krishnakumar Menon
(Chairman & Managing Director)

Registered Office:

Plot No. EL-63, TTC Indl. Area,
Electronic Zone, M.I.D.C, Mahape,
Navi Mumbai – 400 710,
Maharashtra.

Date: 7th December, 2013

Explanatory statement pursuant to section 102 of the Companies Act, 2013.**Item number 4:-**

Mr. Muralidharan Nair was appointed as an Additional Director on the Board of the Company w.e.f. 1st April, 2013. Pursuant to the provisions of Section 260 of the Companies Act, 1956 the above Director holds office upto the date of the ensuing Annual General Meeting of the Company.

The Company has received notices under Section 257 of the Companies Act, 1956 from Mr. Bipin Wali member holding 1500 equity shares in the company proposing candidature of Mr. Muralidharan Nair as Director of the Company, liable to retire by rotation along with the prescribed deposit of Rs. 500.

The Board recommends appointment of Mr. Muralidharan Nair as Director liable to retire by rotation.

None of the directors other than Mr. Muralidharan Nair is interested in the Resolution.

Item number 5:-

Mr. Niladri Mondal was appointed as an Additional Director on the Board of the Company w.e.f. 16th November, 2013. Pursuant to the provisions of Section 260 of the Companies Act, 1956 the above Director holds office upto the date of the ensuing Annual General Meeting of the Company.

The Company has received notices under Section 257 of the Companies Act, 1956 from Mr. Sudhir Shetty member holding 4000 equity shares in the company proposing candidature of Mr. Niladri Mondal as Director of the Company, liable to retire by rotation along with the prescribed deposit of Rs. 500.

The Board recommends appointment of Mr. Muralidharan Nair as Director liable to retire by rotation.

None of the directors other than Mr. Niladri Mondal is interested in the Resolution.

By Order of the Board of Directors

Dr. Krishnakumar Menon
(Chairman & Managing Director)

Registered Office:

Plot No. EL-63, TTC Indl. Area,
Electronic Zone, M.I.D.C, Mahape,
Navi Mumbai – 400 710,
Maharashtra.

Date: 7th December, 2013

To
The Board of Directors
Maestros Mediline Systems Limited
Navi Mumbai,

I, Krishnakumar Nandkumar Menon, Managing Director of Maestros Mediline Systems Limited, to the best of my knowledge and belief, certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Navi Mumbai
Date: 5th December, 2013

For and on behalf of Board of Directors

Krishnakumar Menon
Managing Director

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2013.

1. Financial Results

	Current Year	Previous Year
Total Income	9,98,26,542	32,25,71,464
Less: Expenditure	19,09,25,972	24,92,87,791
Profit/(Loss) before Depreciation, Finance Charges and Tax	(9,10,99,430)	7,32,83,673
Less: Interest and Financial Charges	4,67,38,355	3,77,46,600
Less: Depreciation	1,87,91,752	1,81,16,552
Profit/(Loss) before Tax	(15,66,29,537)	1,74,20,521
Less: Provision for Taxation	-	10,00,000
Less: Prior Period Taxation Adjustments	(1,17,60,179)	(15,52,840)
Add: Deferred Tax	(7,25,195)	(8,54,759)
Profit/(Loss) for the Year	(14,41,44,163)	1,88,28,120
Add: Balance brought forward from previous year	6,09,63,530	8,93,36,836
Less: Appropriated as per Scheme of Arrangement	-	-
Profit available for appropriation	-	10,81,64,956
Less: Appropriations Transfer to General Reserve	-	(4,72,01,426)
Balance carried forward	(8,31,80,134)	6,09,63,530

2. Management Discussion And Analysis

(a) Industry Structure and Development: The performance of your Company during the year under report has shown not good improvement over the previous year. The total revenue from the operations for the year ended March 31, 2013 amounted to Rs.9.82 crore, as against Rs. 32.26 crore, has decreased by 69.56% over the last year as last year's revenue also includes Electrocnis & Infra activity.

(b) Segment wise operational performance: Your Company has three main segments of business viz. Medical Embedded Systems ("MES"), Electronics and Instrumentation and Telemedicine.

The sale of MES division has decreased by 67.49%. During the year under review your Company has upgraded its existing products with better technology and features.

(c) Threats and Concerns: 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.

- (d) 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.

The internal control system provides well documented policies, guidelines authorization and approval procedures for its operations. Your Company maintains controls of high norms both in raw material as well as finished goods. The percentage of rejection from market has reduced drastically due to controls set up in this division.

To achieve high level of customer satisfaction, your company is regularly conducting training programs for its engineers and technical staff on continuous basis, this has resulted in call solving at the initial level itself.

The distribution activity of your Company is mainly controlled through appointing well established dealers who are experienced in this field and setting up targets for sales and service.

- (e) Human Resources:** Your Company continuously endeavors to improve the work environment for its employees. Competitive compensation package, innovative and challenging environment to work, transportation facilities, etc., are some of the steps taken by the Company for the welfare of its employees.

3. Dividend

Considering the need for conservation of resources, the Board does not recommend any dividend.

4. Directors' Responsibility Statement

To the best of their knowledge and belief, and according to the information and explanations provided to them, your Directors make the following statement, pursuant to Section 217 (2AA) of the Companies Act, 1956:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) the appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year April 1, 2012 to March 31, 2013;
- (iii) the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis

5. Corporate Governance

The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the Listing Agreement. A separate report on Corporate Governance compliance is included as a part of the Annual Report along with the Auditors' Certificate.

6. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings and Outgoings

Disclosure of information in accordance with the provisions of Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption is not applicable to your Company.

The particulars regarding foreign exchange earnings and foreign exchange expenditure during the year of Rs.1,60,83,106 and Rs.3,92,671 respectively are as appearing in Note no. X(d)I of the Notes to Accounts.

7. Public Deposits

The Company has not accepted any Fixed Deposits from the Public / Shareholders.

8. Auditors and Auditors' Report

M/s. R A R & Associates, Chartered Accountants, Mumbai, the statutory auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible, have offered themselves for re-appointment. The Company has received a Certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

9. Particulars of Employees

Information required pursuant to the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not applicable to your Company.

10. Appreciation

Your Board takes this opportunity to express its sincere appreciation of the excellent contribution made by all its employees towards the overall performance of your company. Your Directors also thank all the shareholders, dealers, suppliers, bankers and other business associates for their valuable service and support during the year.

For and on behalf of Board of Directors

Dr. K. K. Menon	Mr. Rajiv Nair
(Chairman & Managing Director)	(Director)

Place : Navi Mumbai
Date : 4th September, 2013

CORPORATE GOVERNANCE REPORT**Company's Philosophy on Corporate Governance**

The Company is committed to build value based and ethical management practices to ensure greater transparency and fairness, which in turn will ensure maximum satisfaction of all the stakeholders.

A. Board of Directors**1. Composition of Board of Directors**

The constitution of the Board of Directors as on 31st March, 2013 is given below:-

Name	Executive / Non-Executive / Independent	No. of Directorships held in other companies	Memberships held in Committees as specified in Clause 49
Dr. Krishnakumar Menon	Executive	1. Maestros BrandComm Limited, 2. Maestros Telemedicine Services Private Limited, 3. Maestros Equipments Services Private Limited, 4. MMS Infrastructure Limited,	None
Mr. Rajiv K. Nair	Executive	1. Maestros Equipments Services Private Limited	None
Mr. Balkrishna Tendulkar	Executive	1. Audio Compass (India) Private Limited 2. MMS Infrastructure Limited 3. Maestros Electronics & Telecommunications Systems Limited	None

Note:-

Mr. Nitin Paranjape, Mr. Narendra Mahajani, non-executive directors, resigned on 13th October, 2012 and 01st February, 2013 respectively. Mr. Balakrishna Tendulkar has also resigned w.e.f. 01st April, 2013. Mr. Muralidharan Nair was appointed on 01st April, 2013.

Due to resignation by independent and other directors during the year and difficulty faced by the Company in filling the vacancy so created, the composition of Board of Directors and composition of committees of the Board was not in compliance with provisions of listing agreement during the financial year 2012-13.