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CHAIRMAN'S MESSAGE

Dear All,

It gives me great pleasure to share with you the highlights of our company's performance for the year 2011-2012. First, I would like to thank all our business partners for the tremendous support they have given in the growth of Max. It gives me immense pleasure to announce that we have reached several milestones and on the right track to attain the goals set at the onset.

Performance Review

Our company's financial achievements are:

Total Turnover of Rs. 3510.81 Lacs, Increased by 5.33% comparing last year.

Net profit of Rs. 251.04 Lacs, Increased by 20.95% comparing last year.

Business Overview

The company has shown remarkable growth in terms of volume during the year. Company expects 45% increase in sales in the coming year. I congratulate 'the' management who have put in their best to achieve the objectives set by your company.

Future Prospects

We propose to set up Crushing Plants comprising of two-stage semi portable Crushing Plant and three-stage semi portable Crushing Plant. The proposed capacity of these plants is 250 TPH each for crushing boulders into aggregates of various types for use in the construction projects. The crushed boulders will be sold in the market for use by customers in the construction industry. We intend to come out with an Initial Public offer to procure and commission the crushers.

Our Commitment

We are committed to make MAX a world class Company, benchmarked to global standard of quality, operational performance, efficiency and customer care there by creating substantial value for all our stakeholders.

We look forward in working towards sustainable growth, even for the decade ahead and beyond...

Yours Sincerely,

Sd/-

Anil Chandran

Chairman

Max Alert System Limited

Date: 30th August 2012

Place: Mumbai

NOTICE

NOTICE is hereby given that the NINETH ANNUAL GENERAL MEETING of MAX ALERT SYSTEMS LIMITED will be held at registered office of the Company i.e. 17, Shilpin Centre, 40 G.D. Ambekar Marg, Wadala (West), Mumbai-400 031 on Saturday, 29th September, 2012 at 11.00 A.M to transact the following business:

ORDINARY BUSINESS:

1. To consider, approve and adopt the Audited Balance Sheet as on 31st March 2012 and the Profit & Loss Account of the Company for the year ended on that date together with the Directors Report and Auditor's Report thereon.
2. To consider and if thought fit, to pass, with or without modification, the following Resolution as Ordinary Resolution:
"RESOLVED that Mr. Anil Kumar Chandra, a director liable to retire by rotation, who offer himself eligible for re-appointed, be reappointed as Director of the Company."
3. To appoint M/s Jain Vinay & Associates., Chartered Accountants, as the auditors of the Company and fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:
"RESOLVED THAT Mr. Manoj Mimani, who was appointed as an Additional Director with effect from 19th July, 2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company."
5. To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:
"RESOLVED THAT Mr. Lalit Sethi, who was appointed as an Additional Director with effect from 19th July, 2012 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company."

By Order of the Board

Place : Mumbai
Dated :30.08.2012

Sd/-
Santhosh Balachandran
Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXY FORM AND ATTENDANCE SLIP ARE ENCLOSED, PROXIES IN ORDER TO BE VALID MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business under items 4 and 5 set out above is annexed hereto
4. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September 2012 to 27th September, 2012 (both the days inclusive.)
5. Members are requested to notify immediately changes in their respective address, if any, to the Company's Registered Office quoting their Folio No.
6. Members who hold shares in the Dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Annual General Meeting.
7. Members / Proxies should bring their copy of the Annual Report and also the attendance slip duly filled in for attending the meeting.

ANNEXURE TO THE NOTICE:

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACTS, 1956.

The following Explanatory Statement sets out the material facts relating to the business under items 4, 5 and 6 of the accompanying Notice:

Item No. 4

Mr. Manoj Mimani was appointed as an Additional Director by the Board of Director w.e.f. 19th July, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Manoj Mimani on the Board is desirable and would be beneficial to the company and hence recommend aforesaid resolution for adoption. The board recommends the above resolution for your approval None of the Directors, except Mr. Manoj Mimani is concerned or interested in this resolution.

Item No. 5

Mr. Lalit Sethi was appointed as an Additional Director by the Board of Director w.e.f. 19th July, 2012 in accordance with the provisions of Section 260 of the Companies Act, 1956.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Mr. Lalit Sethi on the Board is desirable and would be beneficial to the company and hence recommend aforesaid resolution for adoption. The board recommends the above resolution for your approval None of the Directors, except Mr. Lalit Sethi is concerned or interested in this resolution.

By Order of the Board

Sd/-

Santhosh Balachandran

Director

Place : Mumbai

Dated :30.08.2012

Registered Office:

17, Shilpin Centre, 40 G.D. Ambekar Marg,
Wadala (West), Mumbai-400 031

DIRECTORS' REPORT

To the Members of the Company,

Your Directors have pleasure in presenting the Ninth Annual Report on the business and operations of your Company with Audited Accounts for the year ended 31st March 2012. The financial results of the Company are summarized below:

FINANCIAL RESULTS:

(₹ in Lacs)

PARTICULARS	YEAR ENDED 31ST MARCH 2012	YEAR ENDED 31ST MARCH 2011
Sales & Projects Income	3,511.77	3,334.56
Profit before Interest, Depreciation & Tax	383.62	310.05
Less :- Interest & Finance Charges	115.72	84.64
Less :- Depreciation	16.86	17.85
Profit before Tax	251.04	207.56
Less :- Provision for Tax	50.03	41.37
Less :- Provision for Deferred Tax	-1.34	-6.56
Profit after Tax	202.35	172.75
Balance carried to Balance Sheet	202.35	172.75

YEAR IN RETROSPECT:

The turnover of the company has increased 5.33% from Rs. 3333.08 Lacs in previous year to Rs. 3510.81 Lacs in current year. EBITDA increased by 23.73% from Rs. 310.04 Lacs in previous year to Rs. 383.62 Lacs in current year. PAT increased by 20.95% from Rs. 207.56 Lacs in previous year to Rs. 251.04 Lacs in current year.

DIVIDEND:

With a view to plough back profits in the business, your directors do not recommend any dividend for the year under review and profit after tax is carried forward to next year to augment revenues.

BUSINESS OUTLOOK:

With the availability of the funds, your company has started on the path of exponential growth. Your Company plans to retain its exposure in the providing solutions for fire fighting, BMS and other allied activities.

Yours company through the recently concluded public offering has plans to diversify itself by venturing in to Crushing Plants comprising of two-stage semi portable Crushing Plant and three-stage semi portable Crushing Plant. Your company believes that this line of business presents significant opportunity for the company and enhances the value of shareholders investment and overall profitability of the company. This will also enlarge the area of operations of the company and will be in the interest of the members.

With the initiatives being taken by your company, the Board feels confident of increasing turnover and profit substantially in the ensuing financial years.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Mr. Anil Chandra, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) Appropriate accounting policies have been selected and the directors have 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 at the end of the financial year 2011-2012 and of the profit and loss of the Company for the period;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts have been prepared on a going concern basis.

AUDITORS & COMMENTS ON AUDITOR'S REPORT

M/s. Ramanand & Associates, Chartered Accountants, retire at the forthcoming Annual General Meeting and M/s Jain Vinay & Associates is being eligible to offer themselves for appointment as an Auditor of the Company. They have furnished the necessary certificate of their eligibility under section 224 (1) (B) of the Companies Act, 1956.

Auditors Report

Auditors Report as issued by Ramanand & Associates, Chartered Accountants, is self explanatory and do not call further clarification by Board.

PUBLIC ISSUE AND LISTING:

Your Company came out with an Initial Public Offering (IPO) of 40,00,000 Equity Shares of the face value of Rs. 10 each at a price of Rs. 20 (including share premium of Rs. 10) per Equity Share aggregating to Rs 800 Lacs constituting 43.49% dilution to fully diluted post issue capital. The IPO opened up for subscription on 28/06/2012 and closed on 02/07/2012. The allotment pursuant to this IPO has been concluded on 10/07/2012. The entire Equity Shares of Company has been listed on BSE SME platform.

MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE REPORT:

As required under Clause – 52 of the SME Listing Agreement of BSE Limited, reports on Management Discussion and Analysis and Corporate Governance together with the Certificate of Auditors on Corporate Governance are provided separately in the Annual report and forms part of Directors report.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A);

The provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules 1988, as amended are not applicable to the company, as there are no employees whose remuneration is in excess of the limits prescribed.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE:

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, technology absorption and foreign exchange earnings and outgo is given in the Annexure – 1.

ACKNOWLEDGEMENT:

Your directors take this opportunity to place on record their warm appreciation of the valuable contribution, unstinted efforts and the spirit of dedication by the employees and officers at all levels in the progress of the Company during the year under review.

Your directors also express their deep gratitude for the assistance, co-operation and support extended to your company by the bankers, customers as well as the investing community and look forward to their continued support.

By Order of the Board

Place : Mumbai
Dated :30.08.2012

Sd/-
Santhosh Balachandran
Director

ANNEXURE-1 TO DIRECTORS' REPORT:

ENERGY CONSERVATION	: NA
TECHNOLOGY OBSERVATION	: NA

FOREIGN EXCHANGE EARNINGS AND OUT GO :

	Amount in Rs.
Foreign exchange used	NILL
Foreign exchange earned	NILL

MANAGEMENT DISCUSSION & ANALYSIS

Industry Overview:

Firefighting:

Firefighting is the act of extinguishing fires. A firefighter fights fires to prevent loss of life, and/or destruction of property and the environment. Firefighting is a highly technical skill that requires professionals who have spent years training in both general firefighting techniques and specialized areas of expertise.

Fire protection is the study and practice of mitigating the unwanted effects of potentially destructive fires. It involves the study of the behavior, compartmentalisation, suppression and investigation of fire and its related emergencies, as well as the research and development, production, testing and application of mitigating systems. In structures, be they land-based, offshore or even ships, the owners and operators are responsible to maintain their facilities in accordance with a design-basis that is rooted in laws, including the local building code and fire code, which are enforced by the Authority Having Jurisdiction. Buildings must be constructed in accordance with the version of the building code that is in effect when an application for a building permit is made. Building inspectors check on compliance of a building under construction with the building code. Once construction is complete, a building must be maintained in accordance with the current fire code, which is enforced by the fire prevention officers of a local fire department. In the event of fire emergencies, Firefighters, fire investigators, and other fire prevention personnel called to mitigate, investigate and learn from the damage of a fire. Lessons learned from fires are applied to the authoring of both building codes and fire codes.

Crusher:

A crusher is a machine designed to reduce large rocks into smaller rocks, gravel, or rock dust. Crushers may be used to reduce the size, or change the form, of waste materials so they can be more easily disposed of or recycled, or to reduce the size of a solid mix of raw materials (as in rock ore), so that pieces of different composition can be differentiated. Crushing is the process of transferring a force amplified by mechanical advantage through a material made of molecules that bond together more strongly, and resist deformation more, than those in the material being crushed do. Crushing devices hold material between two parallel or tangent solid surfaces, and apply sufficient force to bring the surfaces together to generate enough energy within the material being crushed so that its molecules separate from (fracturing), or change alignment in relation to (deformation), each other. The earliest crushers were hand-held stones, where the weight of the stone provided a boost to muscle power, used against a stone anvil. Querns and mortars are types of these crushing devices.

Business Overview:

We are currently engaged in the business of providing solutions for fire fighting, BMS and other allied activities.

Our Company was initially engaged in the business of fire fighting services, BMS and other allied activities. Later on the Company diversified into the business of telecom industry i.e. installation of mobile towers. However in the recent past, fire fighting services, BMS and other allied activities comprise the main thrust of our business.

Our core competencies are our in-house technical knowledge, skilled workforce, diversified product portfolio which enable us to meet varied client requirements.

Existing business operations

From the basic level detection and water based fire protection systems to the sophisticated gas based fire suppression systems, we provide a complete range of fire protection solutions to our customers substantiated as under:

- Consultancy Services
- Design
- Engineering
- Installation, testing and commissioning
- Training
- Annual maintenance of gas detection systems
- Maintenance of fire & gas suppression & security system

Our Strengths:-

- Ready contacts for business development.
- Experienced Promoters and management team
- Diversified Product portfolio.
- Growth driven
- Track record of executing fire fighting contracts including BMS

Our Strategy

- Expansion of existing activities
- Diversification Crushing operations:
- Diversification of Customer Base.
- Brand recognition

**Objects & Business Strategy:**

For past couple of years company is growing at an accelerated pace and Company has explored phenomenal opportunities in setting up Crushing Plants comprising of two-stage semi portable Crushing Plant and three-stage semi portable Crushing Plant. it has led to company to explore various sources to meet this requirement of finance and accordingly company has accumulated a fund of Rs. 800 Lacs through initial public offerings by allotment of 40,00,000 Equity Shares. The Company plans to utilize the entire proceeds to set up its crushing plant.

Financial Highlights:

- Income from operation stood at Rs. 3510.81 Lacs for fiscal 2012
- Profit before Taxes of fiscal 2012 was Rs. 251.04 Lacs.
- Profit after Taxes of fiscal 2012 was Rs. 202.35 Lacs.
- Basic Earning per share for fiscal 2011 was Rs. 3.89
- Net Worth of company stood at Rs. 741.42 Lacs as on March 31,2012.

Manpower & Employee Relations:

Max Alert Systems Limited considers human resources a key element. The company has a competency based performance and potential appraisal systems for identifying and developing managerial talents. To improve the efficiency and effectiveness of its human resources, the company consistently endeavors to train and upgrade the skill level of its employees. Emphasis is laid on providing adequate training to its employees, to meet the attitudinal and cultural values of the organization ethos to achieve the goals set.

The human resources of company are quite enough according to size, volume and transactions of business and employee relations are continued to be cordial during the year.

Regulatory:

Company is complying various statutory provisions such as Companies Act, Income tax, BSE-SME Listing Agreement provisions and other applicable laws and regulations applicable to the company.

Risks & Concerns:

We face competition for fire protection, safety and security including Building Management Systems from other dealers in domestic market. We compete with other dealers on the basis of product range, product quality, and product price including factors based on reputation, customer convenience etc. Our business needs substantial working capital and financing in the form of debt and / or equity. Any blockage to the inflow of funds or increase in the interest rate, may adversely affect the growth as profitability of the Company. Change in government rules & regulations may affect the business operations and profitability of company.

Internal Control system and adequacy :

Internal Control Systems has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance's with management's authorization and properly recorded and accounting records are adequate for preparation of financial statements and other financial information. Internal check is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

Cautionary:

Statement in the Management Discussion & Analysis, describing the company's objectives, projections and estimates are forward looking statement and progressive within the meaning of applicable laws & regulations. Actual result may vary from those expressed or implied. Important developments that could affect the company's operations are significant changes in political and economic environment in India, tax laws, litigation, labour laws Exchange rate fluctuation and other incidental factors.

CORPORATE GOVERNANCE

In Compliance with Clause – 52 of the BSE-SME Listing Agreement, the Company is providing a report on the matters as mentioned in the clause stated and practices followed by the Company.

Corporate Governance for your company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our workforce is committed towards the protection of the interest of the stakeholders viz shareholders, creditors, investors, customers, employees, etc., Our policies consistently undergo improvements keeping in mind our goal of maximization of value of all the stakeholders.

The goal is achieved through :

- Consistent monitoring and improvement of the human and physical resources.
- Introducing regular checks and audits and continuous improvement in already well define systems and procedures.
- Board/Committee meetings at regular intervals to keep the Board informed of the recent happenings.

According to Clause 52 of the BSE-SME Listing Agreement, the disclosure requirements of which are given below

1. COMPANY'S PHILOSOPHY :

Your Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the company to achieve its goal of maximizing value for all its stakeholders.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

2. BOARD OF DIRECTORS:

a) Composition and category of Directors as on 31.03.2012 :

The Board of Directors of the Company comprises of a fair number of Independent professionally competent and acclaimed Non Executive Directors. The Board of Directors of the Company consists of Six Members. The Company has Two "Executive" and four "Non-Executive Directors."

NAME	DESIGNATION
Mr. Anilkumar Chandra	Director
Mr. Lenin Chandran	Managing Director
Mr. Santhosh Balachandran	Whole Time Director
Mr. Valiyakath Adimakungu Noushad	Independent Director
Mr. Pramod Chhabinath Yadav	Independent Director
Mr. Binaykumar Doodhnath Pandey	Independent Director

b) Board Meetings and attendance of Directors :

During the year ended 31st March 2012, 12 Board Meetings were held on the following dates :

18/05/2011, 21/07/2011, 30/09/2011, 30/09/2011, 28/11/2011, 01/01/2012, 09/01/2012, 03/02/2012, 07/02/2012, 08/02/2012, 14/02/2012 and 28/02/2012

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as part of Agenda papers, the same are tabled at the meeting or/ and the presentations are made by the concerned managers to the Board. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

The name and categories of the Directors on the Board, their attendance at Board Meetings during the years and at the last Annual General Meeting, as also the number of Directorships and committee Memberships / Chairmanships held by them in Indian Public Companies (including the Company) as on 31st March, 2012 are given below :