

MAX ALERT SYSTEMS LIMITED
(UNDER CIRP)
20TH ANNUAL REPORT
2022-23

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Josephluis J. Dsouza	Managing Director*
Mr. Valiyakath A. Noushad	Non-Executive Director*
Mr. Anirudh S. Sadhale	Non- Executive Director*
Ms. Pushpa Prakash	Non- Executive Director*
Mr. Rakesh Kumar Tulsyan	Resolution Professional#

* Directors of the Company were suspended by Hon'ble NCLT, vide letter dated August 24, 2021.

Mr. Rakesh Kumar Tulsyan was appointed as Resolution Professional by Hon'ble NCLT, vide letter dated August 24, 2021.

@As the Company Under CIRP and Board of Directors are suspended the Company do not have any Committee to the Board

LISTED AT

Bombay Stock Exchange Limited

STATUTORY AUDITORS:

M/s. S.C. Mehra & Associates LLP
Office No.42, 1st floor, Singh Estate No.3,
Mrinaltai Gore Flyover, Near Movie Star
Cinema, off S.V. Road, Ram Mandir
(west), Goregaon, Mumbai-400104.
Tel: 9819272535, 9820060260
Email ID: sc.mehra@scmassociates.in

SECRETARIAL AUDITOR

M/s. Amruta Giradkar and Associates
Address: Office No. 820, 8th Floor, Ecstasy
Business Park, City Of Joy, Mulund West,
Mumbai, Maharashtra, 400080

REGISTERED OFFICE

502, 5th Floor, Timmy Arcade, Makwana
Road, Marol,
Andheri (East), Mumbai-400059,
Maharashtra.
Email ID: rp.maxalert@gmail.com
Ph: 7666379471

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Private Limited
Add: D-153A, First Floor, Okhla Industrial
Area, Phase-1,
New Delhi, Delhi-110020.
Tel: 011-26812682/011-26812683
Fax: 011-26812682
Email: info@skylinertta.com/mumbai@skylin
ertta.com

BANKERS

HDFC Bank, Ahura Branch, Andheri East.

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DIRECTORS' REPORT

**To,
The Members of the Company**

Your Directors/Resolution Professional have pleasure in presenting the 20th Annual Report of your company along with Audited Financial Statements for the financial year ended on March 31, 2023.

Pursuant to the Order dated August 24, 2021 of the Hon'ble National Company Law Tribunal, Ahmedabad ("NCLT Order"), Corporate Insolvency Resolution Process ("CIR Process") has been initiated against the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, ("Code") and related rules and regulations issued thereunder with effect from August 24, 2021 (Corporate Insolvency Resolution Process Commencement Date). Mr. Rakesh Tulsyan has been appointed as Interim Resolution Professional ("IRP") & Resolution Professional ("RP") in terms of the NCLT Order.

The powers of Board of Directors of the Company stand suspended effective from the CIRP commencement date and such powers along with the management of affairs of the Company are vested with the IRP in accordance with the provisions of Section 17 and 23 of the Insolvency Code read with Regulation 15(2A) & (2B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In consequence of the aforesaid changes I (Resolution Professional) am presenting the Board of Director's Report and the audited financial statements for the financial year ended March 31, 2023.

The financial results of the company are summarized below:

(Amount in lakhs.)		
PARTICULARS	FINANCIAL YEAR ENDED MARCH 31, 2023	FINANCIAL YEAR ENDED MARCH 31, 2022
Total Revenue	-	488.01
Profit/(Loss) before Taxation	- 40.86	-1834.49
Provision for Taxation	-	-
Current Tax	-	-
Deferred Tax	-	-
Tax of earlier year	-	-
Profit/(Loss) After Tax	- 40.86	-1895.80

FINANCIAL HIGHLIGHTS AND PERFORMANCE OF THE COMPANY

The company do not have any revenue for the financial year 2022-23 as compared to Rs. 488.01 lakhs for the previous financial year ended March 31, 2022. Loss before tax is Rs. 40.86 in current financial year as compared to Rs. 1834.49 lakhs for the previous financial year ended March 31, 2022. The Company do not have any business operations during the year under review.

COMPANY UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP):

A petition for initiation of Corporate Insolvency Resolution Process under Section 9 of the Insolvency and Bankruptcy Code, 2016 filed by M/S Interocean Fincap Services Pvt Ltd (Operational Creditor) has been admitted against the Company vide Honorable National Company Law Tribunal, Mumbai bench order dated 24/08/2021 and Mr. Rakesh Kumar Tulsyan has been appointed as IRP/RP by NCLT, Mumbai Bench under Section 13(1) (c) of the Insolvency and Bankruptcy Code, 2016. Also, the Hon'ble NCLT has suspended directors and employees of the Company in same order.

Resolution Professional has made public announcement November 7, 2021 and January 29, 2022 for Expression of Interest in accordance with sub Regulation 7 of Regulation 36A of the CIRP regulations. The Company has received Expression of Interest for Resolution Plan and put forth in front of Committee of Creditors (COC). The COC has finalized 4 Resolution Plan which has been submitted to Hon'ble NCLT. The matter is still pending in NCLT.

BUSINESS OVERVIEW

During the year under review, the Company is not doing any business as company is in CIRP. Whereas, Company's main object is a natural resource-based building materials company. The Company supplies aggregates (crushed stone, sand and gravel) through quarries / mines and distribution yards to its customers in Jharkhand. Company also provides cement and downstream products, namely, pavers, Hollow Bricks in vertically-integrated structured markets where as the Company has a leading position in aggregates. The Company's heavy-side building materials are used in infrastructure, non-residential and residential construction projects. Aggregates are also used in Building construction and infrastructure projects and as railroad ballast. The aggregates, paver tiles and Hollow bricks and paving product lines are reported collectively as the "Building Materials" business and company having business of tower of telecom industry.

However, Resolution Professional Company has making significant efforts to strengthen its base to commence lending activities, by initiating review of its policies and processes, to come out stronger and sharper

DIVIDEND

Owing to the loss incurred by your Company for the financial year under review and in view of your Company being under Corporate Insolvency Resolution Process, no dividend has been declared/ recommended on Equity Shares for the financial year ended March 31, 2023.

TRANSFER OF UNCLAIMED DIVIDEND / DEPOSITS AND SHARES TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)

There was no amount outstanding to be an unclaimed dividend to investor education and protection fund during the FY 2022-2023.

DEPOSITS

The Company has neither accepted nor invited any deposits from the public during the financial year 2022-23 pursuant to provisions of section 73 and 74 of the Companies Act, 2013. There were no unclaimed or unpaid deposits as on March 31, 2023.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

TRANSFER TO RESERVES

During the year under review, your Company suffered a net loss of Rs. 40,86,000/- mainly on account of increased provisioning and higher impact of impairment on financial instruments and consequently, no transfers were made to the reserves out of the amount available for appropriation

CAPITAL STRUCTURE

There was no change in the Authorized and Paid-up Share Capital of the company during the year. The Authorized Share Capital of the company is Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each.

The Paid-up Share Capital of the company is Rs. 9,19,95,000/- (Rupees Nine Crore Nineteen Lakh Ninety Five Thousand only) divided into 91,99,500 (Ninety One Lakh Ninety Nine Thousand Five Hundred) Equity Shares of Rs.10/- each.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary Company and hence comments and information as required under section 129 of the Companies Act, 2013 is not applicable and not required.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH THE RELATED PARTIES

The contracts or arrangement entered into by the company with related parties referred to in Sub- section (1) of section 188 of the Companies Act, 2013 form a part of Form No. AOC-2 in Annexure-2 of this report.

The Board of Directors of the Company have, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy was considered and approved by the Board and has been uploaded on the website of the Company at <http://maxalert.in/Policies/Related%20Party%20Transaction%20Policy.pdf>

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company during the year.

However, the Mr. Rakesh Kumar Tulsyan was appointed as the ‘Interim Resolution Professional (IRP)’ Pursuant to the Order dated August 24, 2021 of the Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT Order”), under Corporate Insolvency Resolution Process (“CIR Process”) which was initiated against the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, (“Code”).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is enclosed as **Annexure III** of this report.

CORPORATE GOVERNANCE:

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a. Listed entity having paid up equity share capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs.25 Crore, as on the last day of the previous financial year;
- b. Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls within the ambit of aforesaid exemption (b); hence compliance with the provision of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2022-2023.

NON APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS:

As per Provision to regulation Rule 4(1) of the companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No. G.S.R 111 (E) on 16th February, 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of

Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirements of adoption of IND-AS w.e.f. 1st April, 2017. As your Company is also listed on SME Platform of BSE Limited, is covered under the exempted category and is not required.

LISTING

The Company's shares are listed on BSE (SME Exchange) Limited. The Company has paid listing fees for the Financial Year 2022-23 to BSE Limited.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the Order dated August 24, 2021 of the Hon'ble National Company Law Tribunal, has suspended the Board of Directors and appointed Mr Rakesh Tulsyan as Resolution Professional under Corporate Insolvency Resolution Process ("CIR Process") which was initiated against the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, ("Code").

DECLARATION BY INDEPENDENT DIRECTORS

As stated earlier Board of Directors were suspended by Hon'ble National Company Law Tribunal, the Company is not required to take any declaration from Independent Directors.

MEETINGS OF THE BOARD OF DIRECTORS

Upon supersession of the Board of Directors of your Company by Hon'ble NCLT August 24, 2021 and initiation of CIRP in respect of your Company vide Hon'ble NCLT Order dated August 24, 2021, Mr Rakesh Kumar Tulsyan was appointed as Interim Resolution Professional and was vested with powers of the Board of Directors. Since, your Company did not have any Board of Directors during the financial year 2022-23, no board meetings were held. However, the meeting of Committee of Creditors were taken as and when required.

Also, the disclosures pertaining to the Board of Directors, Board Meetings, relationship between Directors inter-se, shares and Convertible Instruments held by Non-Executive Directors and other disclosures pertaining to the Board of Directors are not applicable to your Company for the financial year 2022-23.

COMMITTEES OF THE BOARD

As stated earlier in this Report, upon suspension of Board of Directors by Hon'able NCLT on August 24, 2021 and initiation of CIRP in respect of your Company vide Hon'ble NCLT Order dated August 24, 2021 your Company did not have Board of Directors and any Committees of the Board during the Financial Year 2022-23.

Accordingly, the disclosures pertaining to the Committees of Board, description of their terms of reference, composition of Committees, Meetings of the Board Committees, Performance evaluation criteria for the Independent Directors, remuneration of Directors as prescribed under Schedule V of SEBI Listing Regulations are not applicable for the Financial Year 2022-23.

BOARD EVALUATION:

As Board of Directors were suspended by Hon'ble NCLT, Evaluation of Board of Directors were not applicable for Financial Year 2022-23.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

As Board of Directors were suspended by Hon'ble NCLT, policy on director's appointment and remuneration board of Directors were not applicable for Financial Year 2022-23. However, the same is available on <https://www.maxalert.in/FrmOthers.aspx>

DETAILS OF SHAREHOLDERS COMPLAINTS/GRIEVANCES RECEIVED

During the financial year 2022-23, The Company has not received any complaints from the Equity Shareholder relating to non-receipt of share transfer/bonus certificate, non-receipt of dividend, no receipt of annual report etc.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls in place, commensurate with the size and nature of its business. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations

DISCLOSURE REQUIREMENTS

Management Discussion and Analysis are attached herewith, which forms part of this report. Policy on dealing with related party transactions is available on the website of the company www.maxalert.in

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee.

The company has adopted a policy on Determination of 'Materiality for Disclosures' as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Policy for 'Preservation of Documents' as per Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Both of the above policies are available on

the website of the company www.maxalert.in

STATUTORY AUDITORS

M/s. S. C. Mehra & Associates LLP, Chartered Accountants (Firm Registration No. 106156W) are appointed as Statutory Auditors of the Company, to hold the office from the conclusion of the Annual General Meeting held on September 30, 2021 till the conclusion of the Annual General Meeting to be held in the year 2026.

Details of Fraud reported by the Auditor:

As per auditor's report, no fraud u/s 143(12) has been reported by the Auditor.

SECRETARIAL AUDITOR:

The COC had appointed M/s. Amruta Giradkar & Associates, Company Secretaries, to carry out Secretarial Audit of the Company under the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year 2023-24. The Report of the Secretarial Auditor for Financial year 2022-23 is annexed to this report. The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings. There are no adverse observations in the Secretarial Audit Report which call for explanation.

INTERNAL AUDITOR:

Pursuant to per Section 138 of the Companies Act, 2013 of the Companies Act, 2013, the Company has appointed M/s. SSNM & Associates, Chartered Accountants, as the Internal Auditor of the Company, for the financial year 2022-2023

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of the Companies Act, 2013, read with rules framed there under, every company including its holding or subsidiary and a foreign company, which fulfills the criteria specified in sub-section (1) of section 135 of the Act, shall comply with the provisions of Section 135 of the Act and its rules.

Since the Company is not falling under any criteria specified in sub-section (1) of section 135 of the Act, your Company is not required to constitute a Corporate Social Responsibility Committee.

VIGIL MECHANISM

The Company has adopted a "Whistle Blower" Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour as per the