



71st

ANNUAL REPORT 2014 - 2015



**Maha Rashtra Apex
Corporation Limited**

Registered Office: 3rd Floor Front Wing, North Block
Manipal Centre, #47, Dickenson Road, Bengaluru-42

Respectful Salutations...



Late Sri T Ramesh U Pai

BOARD OF DIRECTORS

| | | |
|-----------------------|---|---|
| Whole Time Director | : | Sri S R GOWDA |
| Director | : | Sri G A REGO (up to 25-09-2014) |
| Director | : | Sri K B SHETTY |
| Director | : | Sri S S KAMATH |
| Director | : | Smt JYOTHI V B (from 31-03-2015) |
| Company Secretary | : | Sri J M PANDAY |
| Bankers | : | SYNDICATE BANK CORPORATION BANK INDIAN OVERSEAS BANK |
| Auditors | : | M/s. RAO & SWAMI Chartered Accountants Vidyarathna Building UDUPI - 576 101 |
| Registered Office | : | 3rd Floor, Front Wing North Block, Manipal Centre #47, Dickenson Road Bengaluru – 560042 |
| Administrative Office | : | Syndicate House Upendra Nagar MANIPAL – 576104 |
| Share Transfer Agents | : | M/s. Purva Sharegistry (India) Pvt Ltd. Unit Maha Rashtra Apex Corporation 9 Shiv Shakti Industrial Estate 7-B J R Boricha Marg Opp: Kasturba Hospital Lower Parel (E) MUMBAI-400 011 |

NOTICE

NOTICE is hereby given that the 71st Annual General Meeting of the members of MAHA RASHTRA APEX CORPORATION LIMITED will be held as follows:

Date : Wednesday, September 30, 2015 Time: 12.00 Noon.

Venue: Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli Camp Road, Yashwantpur, Bengaluru – 560 022

The Agenda for the meeting is given below:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2015 and the Balance Sheet as on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sr. S.R. Gowda (DIN: 00046329), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass the following resolution as an ordinary resolution.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Rao & Swami, Chartered Accountants (Registration No.003105S) (who were appointed by the shareholders upto the conclusion of 73rd AGM which is to be held in the year 2017) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 72nd Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and Auditors”.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution.

“RESOLVED THAT Smt. Jyothi V B (holding DIN 07133349) who was appointed as an Additional Director of the Company by the Board of Directors, on recommendation of Nomination and Remuneration Committee, with effect from 31st March, 2015 in terms of Section 161(1) of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and who holds office up to the date of this Annual General Meeting of the Company, and in respect of whom the Company has received a Notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013 proposing her candidature for the office of a Director be and is hereby appointed as a Director of the Company who shall be liable to retire by rotation.”

By Order of the Board,

Bengaluru
May 27, 2015

(S R Gowda)
Whole Time Director
Din-00046329

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 of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total Share Capital of the Company. A member holding more than 10% (ten percent) of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies in order to be effective should be duly completed stamped and must be deposited at the Company's Registered Office not less than 48 hours before the meeting time.



2. The Register of Members and share transfer books of the Company shall remain closed from Friday, 25.9.2015 to Wednesday 30.9.2015 (both days inclusive) for the purpose of Annual General Meeting of the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the item No. 4 is annexed thereto.
4. Members/Proxies should bring the enclosed Attendance Slip duly filled in, for attending the meeting.
5. Corporate members intending to send their authorised representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the 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.
7. Individual Shareholders can avail of the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of the share holder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual shareholders such as Bodies Corporate, Kartas of Hindu Undivided Families, Partnership Firms, Societies, Trusts and holders of Power of Attorney. For further details, please contact the Company's corporate office.
8. Members are requested to:
 - (a) intimate to the Company's Registrar and Share Transfer Agents, changes, if any, in their respective addresses along with Pin Code Number at an early date.
 - (b) Quote Folio Numbers in all their correspondence.
 - (c) Consolidate holdings into one folio in case of multiplicity of Folios with names in identical orders.
9. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the meeting so that the information may be made readily available at the Meeting.

10. VOTING THROUGH ELECTRONIC MEANS:

In compliance with Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their vote electronically. The members may cast their vote using an electronic voting system from a place other than the venue of the AGM ("remote e-voting"). Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

The facility for voting through polling paper shall be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instructions for members for remote e-voting are as under:

- (i) The voting period begins on Saturday, September 26, 2015 at 9.00 a.m. (1st) and ends on Tuesday, September 29, 2015 at 5.00 p.m. (1st). 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) Wednesday, September 23, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.

iv) 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.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) 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.

(vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|--|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. The said sequence number will be the Demat/Folio no. of the respective shareholders. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| DOB | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If 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) |

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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.

(x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant 'Maha Rashtra Apex Corporation Limited' on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Note for Non-Individual Shareholders and 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 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.
- (xix) 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.
- 11. Once the vote on a resolution is cast by the shareholder through remote e-voting, the shareholder shall not be allowed to change it subsequently.
- 12. The voting right of the shareholders shall be in proportion to their shares in the paid up equity capital of the Company as on the cut-off date.
- 13. A copy of this notice is placed on the website of the Company and the website of CDSL.
- 14. Mr. Ashish O. Lalpuria, Practicing Company Secretary (Certificate of Practice Number 11155) has been appointed as scrutinizer for conducting the e-voting in fair and transparent manner.
- 15. The Scrutinizer shall after the conclusion of the voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 3 days of the conclusion of AGM, a consolidated Scrutinizer Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- 16. The result declared along with the Scrutinizer Report shall be placed on the Company's website - www.maharashtraapex.com, and the website of CDSL within two days of passing the resolutions at the AGM of the Company and communicated to Stock Exchanges where the shares of the Company are listed.

Members are requested to bring their copy of the Annual Report along with them to the meeting.

By Order of the Board,

Bengaluru
May 27, 2015

(S R Gowda)
Whole Time Director
DIN-00046329

ANNEXURE TO NOTICE

Explanatory Statements under Section 102 (1) of the Companies Act, 2013.

Item No.4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Jyothi V B (DIN-07133349) as an Additional(Woman) Director of the Company, with effect from 31st March, 2015 in terms of Section 161 (1) of the Companies Act, 2013. Mrs. Jyothi V. B. holds office as an Additional Director upto the date of this Annual General Meeting. The Company has received a notice in writing from a member along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company.

Mrs. Jyothi V B is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Keeping in view her expertise and knowledge, the Board considers that her continued association would be of immense benefit to the Company and hence, it is desirable to appoint her as the Director of the Company liable to retire by rotation.

Apart from Mrs. Jyothi V B, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

A brief profile of the Director together with other details as required under clause 49 of the Listing Agreement is provided in the Corporate Governance Report.

By Order of the Board,

Bengaluru
May 27, 2015

(S R Gowda)
Whole Time Director
DIN-00046329



GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the Companies and has issued circulars stating that the service of notice/ documents including Annual Report can be sent by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses, so far, are requested to register their email addresses with the Company. Members who hold shares in physical form are requested to register their email addresses by completing the below mentioned Form and send it to RTA (Registrar and Share Transfer Agents) of the Company at their address mentioned in the form. The members who hold shares in demat form and requested to register their email with the Depository Participants.

E-COMMUNICATION REGISTRATION FORM (exclusively meant for shareholders holding shares in physical form)

To:

M/s Purva Sharegistry (India) Pvt Ltd.
Unit Maha Rashtra Apex Corporation Ltd
9 Shiv Shakti Industrial Estate
7-B J R Boricha Marg
Opp: Kasturba Hospital
Lower Parel (E)
MUMBAI-400 011

Re: Green initiative in Corporate Governance

| | |
|--|--|
| Regd. Folio No. | |
| Name of 1st Registered Holder | |
| Name of Joint Holder/s | |
| | |
| Registered Address: | |
| | |
| | |
| E-main ID to be registered (IN CAPITAL LETTERS) | |

Date:

Signature.....

(First Holder)

1. On registration, all the communications including the Annual Reports, will be sent at the Registered e-mail address aforesaid.
2. Shareholders are requested to keep the Company/its Share Transfer Agent/Depository Participant informed any change in their e-mail address.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present herewith the Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2015.

FINANCIAL AND OPERATIONAL PERFORMANCE:

The performance of the Company for the financial year ended 31st March 2015 is summarized below:.

(₹ In Lakhs)

| | Year ended March 31, 2015 | | Year ended March 31, 2014 | |
|--|------------------------------|----------|------------------------------|----------|
| Profit before Interest, depreciation, Provision for Taxation | | 36.39 | | 25.36 |
| Less: Interest | | | | |
| Depreciation | 277.12 | | 293.05 | |
| | 4.03 | | 22.24 | |
| | | 281.15 | | 315.29 |
| | | (244.76) | | (289.93) |
| Less: Exceptional Items | | 40.74 | | 71.20 |
| Add: Extraordinary Items | | 247.71 | | 230.06 |
| Add: Excess depreciation reversed | | 2.90 | | 0.00 |
| Less: Provision for Taxation | | 0.00 | | 0.00 |
| Net Profit/(Loss) | | (34.89) | | (131.07) |

OVERVIEW AND THE STATE OF COMPANY'S AFFAIR

During the year under review the Company incurred a loss of ₹34.89 lacs as compare to loss of ₹131.07 lacs during the previous year. Total revenue earned during the year was ₹168.88 lacs as against ₹138.69 lacs in the previous year. Company has taken steps to reduce the expenditure. Total expenditure was ₹413.64 lacs for the current year as against ₹428.62 lacs in the previous year.

CHANGE IN NATURE OF BUSINESS

The Company has not changed its nature of business during the financial year 2014-15. The company has discontinued hire purchase and leasing business since long and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year which varies from year to year.

DIVIDEND

In view of accumulated losses, your Directors do not recommend dividend for the equity shares and 14% Redeemable Cumulative Preference Shares for the financial year 2014-15.

AMOUNT PROPOSED TO BE TRANSFERRED TO RESERVES

It is not proposed to transfer any amount to reserves as on 31st March, 2015.

SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES

The Company has "Maharashtra Apex Asset Management Company Limited", "Eldorado Investments Company Pvt Ltd" and "Crimson Estate & Properties Private Limited" as the Subsidiary Companies as at the end of financial year ended March 31, 2015. The financial statements of subsidiary companies are available for inspection during business hours at the Registered Office of the company. Any member, who is interested in obtaining a copy of financial statement of subsidiary company, may write to the Company Secretary at the Registered Office of the Company. The salient features of performance of the Subsidiaries and Associate Company as on March 31, 2015 in Form AOC- 1 is annexed herewith as 'Annexure I'.

During the financial year, no company became or ceased to be the Subsidiary. The El'dorado Shares & Services ceased to be the fellow Subsidiary of the Company.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statement have been prepared in accordance with the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, applicable Accounting Standards and the provisions of the Listing Agreement with the stock exchange and forms part of the Annual Report.

SCHEME OF ARRANGEMENT

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, till 31.03.2015, the Company has repaid public investments aggregating to Rs.13834.04 Lakhs through installment. The details are given below:

(₹In Lakhs)

| Category | Amount Payable | Amount Paid till 31.03.2015 | Amount Paid till 31.03.2014 |
|------------------------------|-----------------|-----------------------------|-----------------------------|
| Pri.Amount Rs.5,000/- & less | 1258.70 | 1176.71 | 1175.39 |
| Instalments | | | |
| I | 3448.10 | 3448.10 | 3448.10 |
| II | 4503.00 | 4503.00 | 4503.00 |
| III | 3436.08 | 3436.08 | 3436.08 |
| IV | 2372.66 | 1269.37 | 300.56 |
| V | 4370.22 | 0.78 | 0.78 |
| TOTAL | 19388.76 | 13834.04 | 12863.91 |

PUBLIC DEPOSITS

During the year, Company has not accepted any deposit falling under the purview of Chapter V (Acceptance of Deposits by Companies) of the Companies Act, 2013.

MEETINGS OF THE BOARD

Seven meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

COMPOSITION OF BOARD AND ITS COMMITTEE

During the year, in accordance with the Companies Act, 2013 & Clause 49 of Listing Agreement, the Board re-constituted following committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

Details of all the Committees along with their charters, composition and meetings held during the year are provided in the "Corporate Governance Report", a part of this Annual Report.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of

Section 178 of the Companies Act, 2013, adopted by the Board on the recommendation of the Nomination and Remuneration Committee is provided in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to section 135 of the Companies Act 2013, the Company does not fall under the ambit of the said section and the provision of Section 135 pertaining to Corporate Social Responsibility is not applicable to the Company for the financial year 2014-15.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri Garnet Albert Rego (DIN-01378613) resigned as a Director of the Company with effect from 25th Sep, 2014. The Board placed on records its deep appreciations for the valuable contribution made by Sri. Garnet Albert Rego during his tenure as Director.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri S. R. Gowda, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

The Board has appointed Smt. Jyothi V.B. (DIN-07133349) as an Additional (Woman) Director w. e. f. 31st March, 2015. As per the provisions of the Companies Act 2013, Smt. Jyothi V.B. holds office till the ensuing Annual General Meeting and being eligible, offers herself for appointment as Director who shall be liable to retire by rotation. The Board recommends her appointment.

Brief profile of the Directors seeking their appointment/re-appointment at the ensuing Annual General Meeting is provided in the Corporate Governance Report that forms part of the Annual Report.

DECLARATION BY INDEPENDENT DIRECTOR

The Company has received declarations from both the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the applicable provisions of section 149 of the Act and under Clause 49 of the Listing Agreement and the same is annexed as 'Annexure II'.

BOARD EVALUATION

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors.

On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

A separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors.

TRAINING OF INDEPENDENT DIRECTORS

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Under Section 177(9) of Companies Act 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, the company has established a Vigil Mechanism for directors and employees to report genuine concerns and grievances. The vigil mechanism provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provides for direct access to the Chairperson of the Audit Committee.

RELATED PARTY TRANSACTION

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto has been disclosed in Form No. AOC -2 as '**Annexure III**'.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(5) the Board confirm and submit the Directors' Responsibility Statement:—

- (a) In the preparation of the annual accounts and the applicable accounting standards has been followed along with proper explanation relating to material departures;
- (b) The directors have 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) That proper internal financial controls were in place and that the financial controls were adequate and operating effectively
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to energy conservation, technology absorption and research & development pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as follows:

A. Conservation of Energy:

- i. Since the Company is not carrying out any manufacturing activities, it is not energy intensive. Adequate measures have been taken to conserve the energy utilized.
- ii. The Company has not utilized any alternate source of energy during the year.
- iii. There is no additional capital investment on energy consumption equipments during the year.

B. Technology absorption: Not applicable

C. Foreign Exchange earnings and outgo:

During the year 2014-15, there have been no foreign exchange earnings or outgo.

PARTICULARS OF EMPLOYEES:

None of the employees of the Company employed throughout the year were in receipt of remuneration in excess of the limits set out in Rule 5(2) of the said rules.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.



PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The company has not given any loans, provided any securities or guarantees to any persons and not made any investments in securities within the meaning of Section 186 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

There are no material and commitments between 1st April 2015 to 27th May, 2015.

RISK MANAGEMENT

The company has in place a mechanism to identify, assess, monitor and mitigate various risks to the Company.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as "Annexure –IV" to the Board's report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No orders have been passed by the regulators or Courts.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013.

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is provided in the Corporate Governance Report forming part of the Annual Report.

AUDITORS:

Pursuant to Section 139, 140 and other applicable provision, if any of the Companies Act, 2013 and in compliance with the Companies (Audit and Auditors) Rules, 2014, the company had appointed M/s. Rao & Swami., Chartered Accountants, Udupi, as the Statutory Auditors, for a term of three years i.e., 2014-15, 2015-16 and 2016-17 subject to ratification of their appointment by the shareholders at the Annual General Meeting. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and Rules thereunder, the Secretarial Audit for the financial year 2014-15 was conducted by Mr Madhwesh K, Practising Company Secretary and their Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as "Annexure V" to this Report.

REPLY TO AUDITOR'S OBSERVATION

The Company has stopped acceptance of deposit w e f 1.4.2002. Therefore we honestly believed that no credit rating is required by the Company.

Investments are long term nature. So, no provision was considered for diminishing value of investments

With regard to Auditors observations in point No. i, ii, iii and iv explanations given in the relevant notes No.3.6,3.7,3.14(b) and (c) and 3.12 of Schedules of Accounts are self explanatory.



CORPORATE GOVERNANCE

As required under Clause 49 of the Listing Agreement a detailed Report on Corporate Governance is enclosed. A Certificate from the Auditors regarding compliance of the conditions of Corporate Governance is made as part of this Report.

ACKNOWLEDGEMENTS

Directors would like to express their gratitude to all the Bankers of the Company for their continued support and co-operation. The Directors also thank the customers, creditors and shareholders for their support and the staff members for their devoted services.

By order of the Board

For Maha Rashtra Apex Corporation Limited

Place: Bengaluru
Date : 27th May, 2015

K B Shetty
Director
DIN: 01451944

Subbarama Gowda
Whole Time Director
DIN: 00046329

Annexure I

Form AOC-I

Statement containing salient features of the financial statement of subsidiary company

Part "A" : Subsidiaries

Particulars

₹ in lakhs

| Name of the subsidiary | MAHARASHTRA APEX ASSET MGT. COMPANY LTD. | CRIMSON ESTATE & PROPERTIES PVT. LTD. | E'LDORADO INVESTMENTS CO. PVT. LTD. |
|---|--|---|---|
| Reporting period for the subsidiary concerned, if different from the holding Company's reporting period | Not Applicable | Not Applicable | Not Applicable |
| Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Not Applicable | Not Applicable | Not Applicable |
| Share capital | 502.58 | 180.00 | 100.20 |
| Reserves & surplus | (313.39) | (71.69) | 96.02 |
| Total Assets | 202.29 | 121.45 | 266.63 |
| Total Liabilities | 202.29 | 121.45 | 266.63 |
| Investments | 19.30 | 24.00 | 22.28 |
| Turnover | 21.51 | 12.58 | 18.03 |
| Profit before taxation | (3.13) | 18.15 | 38.35 |
| Provision for taxation | (3.35) | (4.77) | (3.08) |
| Profit after taxation | (6.48) | 13.38 | 35.27 |
| Proposed Dividend | 0.00 | 0.00 | 0.00 |
| % of shareholding | 99.99 | 99.99 | 76.00 |

Names of subsidiaries which are yet to commence operations : Nil

Names of subsidiaries which have been liquidated or sold during the year : Nil

Anexure II

Declaration of Independence

[Pursuant to Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement]

Registration No. of Company : L85110KA1943PLC001177
 Name of Company : Maha Rashtra Apex Corporation Limited
 Authorised Capital : Rs. 40,00,00,000.00
 Paid-up Capital : Rs. 14,42,74,000.00
 Address of its Registered Office : 3rd Floor, Front Wing
 North Block, Manipal Centre
 47, Dickenson Road
 Bangalore-560042
 Karnataka.

To
 The Board of Directors,
 Maha Rashtra Apex Corporation Limited

I, Kudi Bhoja Shetty, s/o Late Sri. N. Sheena Shetty, resident of A-408, Raheja Residency, 3rd Block, Koromangla, Bangalore-560034, Karnataka, hereby declare that I fulfill the requirement of independence as stipulated under Section 149(6) of Companies Act 2013"

Signature: _____

Name: Kudi Bhoja Shetty
 DIN: 01451944

Declaration of Independence

[Pursuant to Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement]

Registration No. of Company : L85110KA1943PLC001177
 Name of Company : Maha Rashtra Apex Corporation Limited
 Authorised Capital : Rs. 40,00,00,000.00
 Paid-up Capital : Rs. 14,42,74,000.00
 Address of its Registered Office : 3rd Floor, Front Wing
 North Block, Manipal Centre
 47, Dickenson Road
 Bangalore-560042
 Karnataka.

To

The Board of Directors,
Maha Rashtra Apex Corporation Limited

I Sevagoor Srinivas Kamath, s/o Sri S Vasudev Kamath, resident of Flat No.502, Rose Cote Apartments, Bendoorwell, Kankanady, Mangalore-575002, Karnataka Independent Director of the company hereby declare that I fulfill the requirement of independence as stipulated under Section 149(6) of Companies Act 2013”

Signature: _____

Name: Sevagoor Srinivas Kamath
DIN : 01039656

Annexure III

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

- 1. Details of contracts or arrangements or transactions not at arm's length basis: None**
- 2. Details of material contracts or arrangement or transactions at arm's length basis: None**

Note: The Company has entered into transaction with M/s. Kurlon Limited (Associate Company) for sale of property situated at Yashwanthpur, Bangalore. The said transaction is as per the order of Honorable Karnataka High Court on 25.05.2012 – as a part of on-going scheme of arrangement with depositors.

Annexure IV
Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| Serial No | Particulars | Details |
|-----------|---|---|
| i) | CIN | L85110KA1943PLC001177 |
| ii) | Registration Date | 26.04.1943 |
| iii) | Name of the Company | Maha Rashtra Apex Corporation Limited |
| iv) | Category / Sub-Category of the Company | Indian Non-Government Company |
| v) | Address of the registered office and contact details | 3 rd Floor, Front Wing North Block, Manipal Centre 47, Dickenson Road, Bangalore-560042, Karnataka |
| Vi) | Whether listed company Yes /No | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/s Purva Sharegistry (India) Pvt Ltd. Unit Maha Rashtra Apex Corporation Ltd 9 Shiv Shakti Industrial Estate 7-B J R Boricha Marg Opp: Kasturba Hospital Lower Parel (E) MUMBAI-400 011 |

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)

| SN | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|----|--|---------------------------------|------------------------------------|
| 1 | None | | |

The company is non-operational and is in the process of repaying depositors as per the scheme of arrangement approved by Honorable High Court of Karnataka

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

| S. NO | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY / ASSOCIATE |
|-------|---|-----------------------|---------------------------------|
| 1 | Maharashtra Apex Asset Management Company Limited | U85110KA1995PLC016881 | Subsidiary |
| 2 | Eldorado Investments Company Private Limited | U65910MH1986PTC039904 | Subsidiary |
| 3 | Crimson estate & properties Private Limited | U7010MH1987PTC042955 | Subsidiary |
| 4 | Kurlon Limited | U17214KA1962PLC001443 | Associate |

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 [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | % Change during the year | |
|--|---|----------------|----------------|-------------------|---|----------------|----------------|--------------------------|-------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter's | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 2470925 | 706699 | 3177624 | 22.46 | 2470925 | 706699 | 3177624 | 22.46 | 0.00 |
| b) Central Govt | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| c) State Govt(s) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| d) Bodies Corp. | 4546829 | 1049233 | 5596062 | 39.55 | 4546829 | 1049233 | 5596062 | 39.55 | 0.00 |
| e) Banks / FI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| f) Any other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sub-total (A)(1) | 7017754 | 1755932 | 8773686 | 62.00 | 7017754 | 1755932 | 8773686 | 62.00 | 0.00 |
| (2) Foreign | | | | | | | | | |
| 1.NRIs- Individuals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2.Other Individuals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3.Bodies Corp | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4.Banks/FI | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5.Any other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sub-Total (A) (2) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Shareholding of promoters (A)=A(1)+A(2) | 7017754 | 1755932 | 8773686 | 62.00 | 7017754 | 1755932 | 8773686 | 62.00 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| a) Mutual Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Banks / FI | 880 | 1118 | 1998 | 0.01 | 880 | 1118 | 1998 | 0.01 | 0.00 |
| c) Central Govt | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| d) State Govt(s) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| f) Insurance Companies | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| g) FIIs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| h) Foreign Venture Capital Funds | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| i) Others (specify) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sub-total (B)(1):- | 880 | 1118 | 1998 | 0.01 | 880 | 1118 | 1998 | 0.01 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 177156 | 13147 | 190303 | 1.34 | 379830 | 12647 | 392477 | 2.77 | 1.43 |
| ii) Overseas | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| l) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1012291 | 3229572 | 4241863 | 29.98 | 965795 | 3190718 | 4156513 | 29.37 | -0.61 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 394147 | 489170 | 883317 | 6.24 | 297376 | 473960 | 771336 | 5.45 | -0.79 |

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | % Change during the year | |
|--|---|----------|----------|-------------------|---|----------|----------|--------------------------|-------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | | | | | | | | | |
| Repat & Non-Repat | 10896 | 249 | 11145 | 0.08 | 8896 | 249 | 9145 | 0.06 | -0.02 |
| Overseas Corporate Bodies | | | | | | | | | |
| Foreign Nationals | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Clearing Members | 460 | 0.00 | 460 | 0.00 | 275 | 0.00 | 275 | 0.00 | 0.00 |
| Trusts | 0.00 | 2000 | 2000 | 0.01 | 2192 | 2000 | 4192 | 0.03 | 0.02 |
| Hindu Un-divided Family | 45328 | 0.00 | 45328 | 0.32 | 40478 | 0.00 | 40478 | 0.29 | -0.03 |
| Foreign Bodies - D R | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sub-total (B)(2):- | 1640278 | 3734138 | 5374416 | 37.98 | 1694842 | 3679574 | 5374416 | 37.98 | 0.00 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 1641158 | 3735256 | 5376414 | 38.00 | 1695722 | 3680692 | 5376414 | 38.00 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 8658912 | 5491188 | 14150100 | 100.00 | 8713476 | 5436624 | 14150100 | 100.00 | 0.00 |

B) Shareholding of Promoter-

| S.N | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year | | | % change in share holding 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 | Manipal Holdings Private Limited | 2488875 | 17.59 | 0.00 | 2488875 | 17.59 | 0.00 | 0.00 |
| 2 | Jaya S Pai | 2127365 | 15.03 | 0.00 | 2127365 | 15.03 | 0.00 | 0.00 |
| 3 | Metropolis Builders Pvt Ltd. | 1354643 | 9.57 | 0.00 | 1354643 | 9.57 | 0.00 | 0.00 |
| 4 | Chitrakala Investment Trade & Busin | 906297 | 6.40 | 0.00 | 906297 | 6.40 | 0.00 | 0.00 |
| 5 | Mangala Investments Limited | 670000 | 4.73 | 0.00 | 670000 | 4.73 | 0.00 | 0.00 |
| 6 | Tonse Sudhakar Pai | 391198 | 2.76 | 0.00 | 391198 | 2.76 | 0.00 | 0.00 |
| 7 | Shanti Ramesh Pai | 386110 | 2.73 | 0.00 | 386110 | 2.73 | 0.00 | 0.00 |
| 8 | Sheela Pai | 265184 | 1.87 | 0.00 | 265184 | 1.87 | 0.00 | 0.00 |
| 9 | Jai Bharath Mills Private Ltd | 141700 | 1.00 | 0.00 | 141700 | 1.00 | 0.00 | 0.00 |
| 10 | General Investment & Commercial Corporation Ltd. | 34147 | 0.24 | 0.00 | 34147 | 0.24 | 0.00 | 0.00 |
| 11 | T Ramesh U Pai | 7085 | 0.05 | 0.00 | 7085 | 0.05 | 0.00 | 0.00 |
| 12 | Varada S Prabhu | 562 | 0.00 | 0.00 | 562 | 0.00 | 0.00 | 0.00 |
| 13 | Efficient Management Services (P) Ltd. | 400 | 0.00 | 0.00 | 400 | 0.00 | 0.00 | 0.00 |
| 14 | Tonse Satish Upendra Pai | 120 | 0.00 | 0.00 | 120 | 0.00 | 0.00 | 0.00 |

C) Change in Promoters' Shareholding (please specify, if there is no change)

| SN | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|----------------------------------|---|----------------------------------|
| | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | --No change-- | | |
| | Date wise Increase / Decrease in Promoters | | | |
| | Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | |
| | At the end of the year | | | |

D. Sharedholding Pattern of top ten Shareholders:

| SI No. | | ShareHolding at the beginning of the year 31/03/2014 | | Cumulative Shareholding during the year 31/03/2015 | | Type |
|--------|------------------------------|--|----------------------------------|--|---|------|
| | | No. of Shares | % of Total Shares of the company | No. of Shares | % change in share holding during the year | |
| 1 | GOKULDAS HEGDE 31/03/2015 | 192985 | 1.36 | 192985 | 1.36 | |
| 2 | SURESHBHAI P. BHANDERI | 128830 | 0.91 | | | |
| | 19/09/2014 | -128830 | -0.91 | 0 | 0 | Sell |
| | 30/09/2014 | 20000 | 0.14 | 20000 | 0.14 | Buy |
| | 31/03/2015 | | | 20000 | 0.14 | |
| 3 | D VEERENDRA HEGDE | 88320 | 0.62 | | | |
| | 31/03/2015 | | | 88320 | 0.62 | |
| 4 | ANS PVT LIMITED | 87707 | 0.62 | | | |
| | 11/4/2014 | 600 | 0 | 88307 | 0.62 | Buy |
| | 18/04/2014 | 1400 | 0.01 | 89707 | 0.63 | Buy |
| | 25/04/2014 | 500 | 0 | 90207 | 0.64 | Buy |
| | 2/5/2014 | 2875 | 0.02 | 93082 | 0.66 | Buy |
| | 9/5/2014 | 1993 | 0.01 | 95075 | 0.67 | Buy |
| | 30/05/2014 | 725 | 0.01 | 95800 | 0.68 | Buy |
| | 6/6/2014 | 816 | 0.01 | 96616 | 0.68 | Buy |
| | 13/06/2014 | 748 | 0.01 | 97364 | 0.69 | Buy |
| | 20/06/2014 | 5490 | 0.04 | 102854 | 0.73 | Buy |
| | 30/06/2014 | 4348 | 0.03 | 107202 | 0.76 | Buy |
| | 4/7/2014 | 9100 | 0.06 | 116302 | 0.82 | Buy |
| | 11/7/2014 | 5518 | 0.04 | 121820 | 0.86 | Buy |
| | 18/07/2014 | 1610 | 0.01 | 123430 | 0.87 | Buy |



| SI No. | | ShareHolding at the beginning of the year 31/03/2014 | | Cumulative Shareholding during the year 31/03/2015 | | Type |
|--------|-----------------------------|--|--|--|---|------|
| | | No. of Shares | % of Total Shares of the company | No. of Shares | % change in share holding during the year | |
| | 25/07/2014 | 100 | 0.00 | 123530 | 0.87 | Buy |
| | 1/8/2014 | 1100 | 0.01 | 124630 | 0.88 | Buy |
| | 8/8/2014 | 736 | 0.01 | 125366 | 0.89 | Buy |
| | 14/08/2014 | 5000 | 0.04 | 130366 | 0.92 | Buy |
| | 22/08/2014 | 6000 | 0.04 | 136366 | 0.96 | Buy |
| | 29/08/2014 | 6452 | 0.05 | 142818 | 1.01 | Buy |
| | 5/9/2014 | 2000 | 0.01 | 144818 | 1.02 | Buy |
| | 12/9/2014 | 2280 | 0.02 | 147098 | 1.04 | Buy |
| | 19/09/2014 | 7600 | 0.05 | 154698 | 1.09 | Buy |
| | 26/09/2014 | 2000 | 0.01 | 156698 | 1.11 | Buy |
| | 30/09/2014 | -19800 | -0.14 | 136898 | 0.97 | Sell |
| | 17/10/2014 | 100 | 0.00 | 136998 | 0.97 | Buy |
| | 14/11/2014 | 2000 | 0.01 | 138998 | 0.98 | Buy |
| | 21/11/2014 | -2127 | -0.02 | 136871 | 0.97 | Sell |
| | 31/03/2015 | | | 136871 | 0.97 | |
| 5 | SHILPA PAI | 64285 | 0.45 | | | |
| | 31/03/2015 | | | 64285 | 0.45 | |
| 6 | NITIN GAJANANRAO | | | | | |
| | KHOT | 61650 | 0.44 | | | |
| | 31/03/2015 | | | 61650 | 0.44 | |
| 7 | DAVE AJAY GIRISHCHANDRA | 61238 | 0.43 | | | |
| | 25/07/2014 | 1162 | 0.01 | 62400 | 0.44 | Buy |
| | 16/01/2015 | 500 | 0.00 | 62900 | 0.44 | Buy |
| | 13/03/2015 | 200 | 0.00 | 63100 | 0.45 | Buy |
| | 31/03/2015 | | | 63100 | 0.45 | |
| 8 | MAKWANA HITESH SHANTILAL | 41344 | 0.29 | | | |
| | 14/08/2014 | 200 | 0.00 | 41544 | 0.29 | Buy |
| | 12/9/2014 | -1000 | -0.01 | 40544 | 0.29 | Sell |
| | 31/03/2015 | | | 40544 | 0.29 | |
| 9 | T G SREENIVASAN NAIR | 38610 | 0.27 | | | |
| | 31/03/2015 | | | 38610 | 0.27 | |
| 10 | SPINNEX INDIA PVT.LTD | 31000 | 0.22 | | | |
| | 13/06/2014 | 700 | 0.00 | 31700 | 0.22 | Buy |
| | 20/06/2014 | 550 | 0.00 | 32250 | 0.23 | Buy |
| | 30/06/2014 | -250 | 0.00 | 32000 | 0.23 | Sell |
| | 4/7/2014 | -1000 | -0.01 | 31000 | 0.22 | Sell |
| | 14/11/2014 | -1000 | -0.01 | 30000 | 0.21 | Sell |
| | 27/02/2015 | 1000 | 0.01 | 31000 | 0.22 | Buy |
| | 31/03/2015 | | | 31000 | 0.22 | |

E) Shareholding of Directors and Key Managerial Personnel:

| Sl.No | For each of Directors and KMP | Shareholding at the beginning of the year | % of the total shares of the Company | Share holding at the end of the year | % of the total shares of the Company |
|-------|-------------------------------|---|--------------------------------------|--------------------------------------|--------------------------------------|
| 1 | Sri S R Gowda | 800 | 0.00 | 800 | 0.00 |
| 2 | Sri K B Shetty | 0 | 0.00 | 0 | 0.00 |
| 3 | Sri S S Kamath | 400 | 0.00 | 400 | 0.00 |
| 4 | Smt Jyothi V B | 0 | 0.00 | 0 | 0.00 |

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 4695.41 | 561.81 | - | 5257.22 |
| ii) Interest due but not paid | 4525.37 | - | - | 4525.37 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 9220.78 | 561.81 | - | 9782.59 |
| Change in Indebtedness during the financial year | | | | |
| # Addition | - | - | - | - |
| # Reduction | 1023.04 | - | - | 1023.04 |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 3593.65 | 561.81 | - | 4155.46 |
| ii) Interest due but not paid | 4604.09 | - | - | 4604.09 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 8197.74 | 561.81 | - | 8759.55 |

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

| SN. | Particulars of Remuneration | Mr. S R Gowda | Total Amount |
|-----|---|----------------|----------------|
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Rs.1,11,290.00 | Rs.1,11,290.00 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | Rs. 1,167.00 | Rs. 1,167.00 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | NA | |
| 2 | Stock Option | NA | |
| 3 | Sweat Equity | NA | |
| 4 | Commission - as % of profit - others, specify... | NA | |
| 5 | Others, please specify | N A | |
| | Total (A) | Rs.1,12,457.00 | Rs.1,12,457.00 |

B. Remuneration to other directors

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|--|-------------------|------|------|------|--------------|
| | | ---- | ---- | ---- | ---- | |
| 1 | Independent Directors | ---None--- | | | | |
| | Fee for attending board committee meetings | | | | | |
| | Commission | | | | | |
| | Others, please specify | | | | | |
| | Total (1) | | | | | |
| 2 | Other Non-Executive Directors | | | | | |
| | Fee for attending board committee meetings | | | | | |
| | Commission | | | | | |
| | Others, please specify | | | | | |
| | Total (2) | | | | | |
| | Total (B)=(1+2) | | | | | |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| SN. | Particulars of Remuneration | Key Managerial Personnel | | | |
|-----|--|--------------------------|----|-----|-------|
| | | CEO | CS | CFO | Total |
| 1 | Gross salary | NIL | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 196 | | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | | | |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 19612 | | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | | | | |
| 4 | Commission - | | | | |
| | as % of profit | | | | |
| | others, specify... | | | | |
| 5 | Others, please specify Total | | | | |

XII. 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 | NA | | | | |
| Punishment | NA | | | | |
| Compounding | NA | | | | |
| B. DIRECTORS | | | | | |
| Penalty | NA | | | | |
| Punishment | NA | | | | |
| Compounding | NA | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NA | | | | |
| Punishment | NA | | | | |
| Compounding | NA | | | | |

Annexure V

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015

To,
The Members,
Maha Rashtra Apex Corporation Limited
Manipal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Maha Rashtra Apex Corporation 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/our opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 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/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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; and+

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Other Labour, Industrial and Environmental laws as applicable to the company.

I/we 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 Bombay Stock Exchange and National Stock

Exchange, if applicable;

(The struck-off items above are not applicable to the company)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The duplicate share certificates issued by the Registrar and Share Transfer Agent of the company is not in Form SH.1 as required under Section 46(2) of Companies Act 2013 read with Rule 6 of Companies (Share Capital and Debenture) Rules 2014
2. The company has not appointed internal auditor as required under Section 138 of Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014
3. The company has not paid preference dividend for more than two years. Second proviso of Section 47(2) of Companies Act 2013 requires the company to allow voting right to preference shareholders in the meeting of equity shareholders. The company has not allowed voting rights as per the section. Though preference shareholders are part of on-going scheme of arrangement approved by Honorable High Court of Karnataka, no express immunity from this section is obtained from Honorable High Court of Karnataka.
4. The post office confirmation having dispatched annual general meeting notices were not made available. Accordingly we are unable to comment on compliance of Section 101 of Companies Act 2013 (i.e., giving 21 days notice)
5. General meeting notices were sent both in physical and electronic form. Since the electronic email (either bulk or individual) sent to shareholders – for postal ballot and annual general meeting – were not made available, we are unable comment on compliance with Rule 18 of Companies (Management and Administration) Rules, 2014 regarding specific disclosure in the notice as per the said Rule (i.e., particular format of e-notices)
6. The company's website does not contain details of notice of annual general meeting. Hence we are unable to comment on compliance with Rule 20(3)(ii) of Companies (Management and Administration) Rules, 2014 read with Section 108 of Companies Act 2013 (i.e., placing of notice of general meeting on website of the company)
7. Statutory Registers maintained in microsoft excel format. However the same is not in conformity with Rule 27 Explanation of Companies (Management and Administration) Rules, 2014
8. The company is required to appoint Chief Financial Officer as per Section 203(1) read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The company has not appointed Chief Financial Officer
9. Website of the company does not disclose email ID designated for redressal of investor grievance – as required under Clause 47(f) of Listing Agreement
10. The company website does not have section for investors / compliance / disclosures as required under Clause 54 of Listing Agreement
11. As required under Clause 49.III.(i), the company is required to appoint one of its independent directors on M/s Eldarado Investment P Ltd & Crimson Estate P Ltd (material non-listed Indian subsidiaries). However no such

Signature:

Date : 31.08.2015

Name of Company Secretary in practice / Firm:

Madhwesh K

ACS/FCS No.: 21477

C P No.: 10897

BOARD'S RESPONSE TO SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015

To,
The Members,
MahaRashtra Apex Corporation Limited
Manipal

1. It will be ensured that further share certificates issued by the Registrar and Share Transfer Agent of the company are in Form SH.1 as required under Section 46(2) of Companies Act 2013 read with Rule 6 of Companies (Share Capital and Debenture) Rules 2014.
2. The Company is repaying its debts after getting sanction from Karnataka High Court under Section 391 of the Companies Act, 1956. At present the Company is not doing any business except collection of loans and repayment of deposits. Due to financial position of the company it is a hardship on the company to remunerate internal auditor as per market standards.
3. It will be ensured that from all the shareholders meeting held from 2015-16, the company will allow voting right to preference shareholders.
4. It will be ensured that the post office confirmation having dispatched shareholders meeting notices will be obtained from Registrar and Share Transfer Agent. So far the company had relied on their confirmation and has otherwise ensured that such dispatches are complete
5. It will be ensured that the email confirmation having dispatched shareholders meeting notices will be obtained from Registrar and Share Transfer Agent. So far the company had relied on their confirmation and has otherwise ensured that such dispatches are complete
6. The Company will take steps to publish AGM notice in the website of the Company.
7. Register of equity shareholders is maintained by Registrar and Share Transfer agent, in electronic format, in compliance with applicable laws. Other registers are maintained by the company in electronic format and adequate measures are taken ensure that the access to same is restricted. Due to financial position of the company it is a hardship on the company to maintain electronic records in strict compliance with company law. The board will explore further possibilities in this regard
8. Due to financial constraints of the company it is a hardship on the company to remunerate CFO as per market standard.
9. It will be ensured that the website of the company discloses email ID designated for redressal of investor grievance – as required under Clause 47(f) of Listing Agreement
10. Reply is same as that for point 6
11. Since both M/s Eldarado Investment P Ltd & Crimson Estate P Ltd (material non-listed Indian subsidiaries) are non-operative, none of the independent directors are appointed on their board. The board will appoint Directors in the coming years.

By Order of the Board,

Date : 01.09.2015
Place: Bengaluru

(S S Kamath)
Director
DIN-01039656

CORPORATE GOVERNANCE REPORT- 2015

1. COMPANY'S PHILOSOPHY:

The primary motive of the Company is to uphold good Corporate Governance and the management did not spare any effort in implementing all possible measures by adopting adequate steps in order to achieve this objective.

2. BOARD OF DIRECTORS:

Composition and category of directors:

As of 31st March, 2015 the total strength of the Board of Directors was four directors. All the directors except the Whole Time Director are Non-Executive Directors. 50% of the Board Members consisted of Independent Directors. Composition of the Board of Directors of the Company and their other Directorship(s)/Committee Membership(s)/Chairmanship(s) as on 31st March, 2015 was as under:

Seven Board Meetings were held during the period 2014-15. These meetings were held on 30th May, 2014, 3rd July, 2014, 13th August, 2014, 22nd October, 2014, 13th November, 2014, 10th February, 2015 and 31st March, 2015.

The details are as follows:

| Sl. No | Name of Directors | Category of Directorship | No of Board Meetings Attended | Attendance at last AGM | No of other Directorship | No. of other Committee Membership or Chairmanship | |
|--------|------------------------------------|------------------------------------|-------------------------------|------------------------|--------------------------|---|---|
| 1. | Sri G A Rego (upto 25-09-2014) | Non-Executive Director | 3 | No | 14 | 1 | 1 |
| 2. | Sri S. R. Gowda | Executive & Whole Time Director | 7 | Yes | 22 | 3 | 0 |
| 3. | Sri K B Shetty | Independent Non-Executive Director | 7 | Yes | Nil | 2 | 1 |
| 4. | Sri S S Kamath | Independent Non-Executive Director | 6 | Yes | 7 | 2 | 1 |
| 5. | Smt Jyothi V B (From 31-3-2015) | Non-Executive Additional Director | - | No | Nil | 1 | 0 |

3. COMMITTEES OF THE BOARD

a) AUDIT COMMITTEE:

Composition of the Audit Committee meets all the criteria under the law. The Committee comprises of three Directors, majority being Non-Executive and independent. It met four times during the period 2014-2015 on 30th May, 2014, 13th August, 2014, 13th November, 2014 and 10th February, 2015.

The Audit Committee comprised of the following members:

The Audit Committee is duly constituted as per the provisions of Clause 49 of the Listing Agreement and Companies Act, 2013. The Committee comprises of three Directors, majority being Non-Executive and Independent.

The Audit Committee comprised of the following members:

| | |
|----------------------------------|----------|
| Sri K B Shetty | Chairman |
| Sri G A Rego (upto 25.9.2014) | Member |
| Sri S R Gowda | Member |
| Sri S S Kamath From 3-7-2014 | Member |

The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at the annual general meeting held on 30th September, 2014. The Composition of the committee is in accordance with the requirements of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The particulars of meetings and attendance by the members of committee during the year under review as are given in the table below:

Attendance of the Directors in the Audit Committee Meeting:

| | |
|-----------------------------------|--|
| Date of Meeting 30th May, 2014 | Members Present Sri K B Shetty Sri G A Rego Sri S R Gowda |
| 13th August, 2014 | Sri K B Shetty Sri G A Rego Sri S R Gowda Sri S S Kamath |
| 13th November, 2014 | Sri K B Shetty Sri S R Gowda Sri S S Kamath |
| 10th February, 2015 | Sri K B Shetty Sri S R Gowda Sri S S Kamath |

Brief description of terms of reference:

The Audit Committee of the Company is entrusted with the following responsibilities to supervise the Company's internal control and financial reporting process:

- 1) To recommend to appointment, remuneration and terms of appointment of auditors of the Company.
- 2) To approve payment to statutory auditors for any other services rendered by the statutory auditors.
- 3) To examine the financial statement and the auditors' report thereon:
- 4) To approve transactions of the Company with related parties and modifications thereof;
- 5) To undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- 6) To evaluate internal financial controls and the management systems;

b) NOMINATION AND REMUNERATION COMMITTEE:

The Board constituted a Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Committee consists of the following directors:

| Name of Director | Status |
|-------------------------|------------------------------------|
| Sri K B Shetty | Non-Executive-Independent Director |
| Sri S S Kamath | Non-Executive-Independent Director |
| Smt Jyothi V B | Non-Executive-Director |

Nomination and Remuneration Policy

As required under Section 178 (3) of the Companies Act, 2013 the Company's Nomination and Remuneration policy is hosted in the website of the Company.

The Non-Executive Directors stopped drawing any remuneration by way of sitting fees for attending Board/ Committee Meetings during the year 2014-15. Therefore remuneration committee was not been formed till 30-03-2015.

Details of remuneration paid to the Whole-Time Director during the period from 1.4.2014 to 31.3.2015 is given here below:

- i) Whole-Time Director - 1.12 lacs
- ii) Non-Executive Directors - Nil

c) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee comprising three members of the Board, approves transfers, transmission issue of duplicate shares and review and redress Share holders grievances/complaint on matters relating to transfer of shares and non-receipt of Balance Sheet. The Committee met 26 times during the year under report.

The composition of Stakeholders Relationship Committee and attendance of members in the meeting are given below:

| Sl.No | Name of Director | Category of Directorship | No. of Meeting attended |
|-------|------------------|---------------------------|-------------------------|
| 1. | Sri G A Rego | Non-Executive-Independent | 13 |
| 2. | Sri S R Gowda | Executive | 26 |
| 3. | Sri K B Shetty | Non-Executive-Independent | 2 |
| 4. | Sri S S Kamath | Non-Executive-Independent | 20 |

Mr G A Rego heading the Committee upto 25.9.2014 and Mr S S Kamath heading the Committee from 10-02-2015 Sri. J.M.Panday, Company Secretary is the Compliance Officer.

No. of Share Holders Complaints received during the year - Nil

No. of Share Holders Complaints settled during the year - Nil

No. of Complaints pending for settlement - Nil

4. Details of Directors seeking appointment/reappointment as required under Clause 49 of the Listing Department.

| | | |
|---|--|--|
| Name of the Director | Smt Jyothi V B | Sri S.R Gowda |
| Date of Birth | 11-12-1972 | 11.12.1944 |
| Date of first Appointment on Board | 31-03-2015 | 27.10.2005 |
| Qualification | M Tec. in Digital Communication. | BE |
| Experience | Professional educator having more than 10 years of teaching experience. Expertise in Electronic and Telecommunication domain and has served many top Engineering Colleges as lecturer in Bengaluru and active in social activities.. | 36 years experience in Financial Sector as well as in administration |
| Terms & Conditions of appointment/re-appointment | Director retire by rotation. | Director retire by rotation. |
| Remuneration to be paid | NA | NA |
| Remuneration last drawn | NA | NA |
| Shareholding in the Company | NA | 800 Equity Shares |
| Relationship with other Directors/ Manager/Key Managerial Personnel | NAI | NA |
| Number of Board Meetings attended | Nil | 7 |
| Other Chairman/Member of the Committee | Member of Nomination and Remuneration Committee | Member-Audit Committee, Stakeholders Relationship and Nomination and Remuneration Committee |
| List of Companies in which outside Directorship held | Nil | Metropolis Builders Pvt Ltd Manipal Chit Fund Private Limited Maharashtra Apex Asset Management Company Limited Eldorado Investments Company Pvt . Ltd . Manipal Medi Records Private Limited Crimson Estate & Properties Private Limited Mridula Labour And Management Services Private Limited Dagny Investments Private Limited Brooklyn Hills Properties Private Limited Rg Trading And Marketing Services Private Limited Manipal Home Finance Limited Gurudev Trading & Services Private Limited Manipal Gold Co Limited Infant Trading And Services Private Limited Canara Nidhi Limited Jayamahar Trade And Investments Private Limited Canara Steel Limited Anil Sunil Trade And Investment Private Limited Eldorado Share Services Private Limited Rajmahar Trade And Investments Private Limited Manipal Infrastructure Limited Rakshith Labour And Management Services Private Limited |

5. GENERAL MEETINGS:

The 68, 69, and 70th Annual General Meetings were held at Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli Camp Road, Yashwantpur,, Bangalore the details are given here below:

| AGM NO. | DATE | TIME | SPECIAL RESOLUTION PASSED |
|---------|-----------|-----------|---------------------------|
| 68 | 28.9.2012 | 3.00 p m | Nil |
| 69 | 30.9.2013 | 11.00 a m | Nil |
| 70 | 30.9.2014 | 11.00 a m | *1 |

*Re-appointment of Mr. Subbarama Gowda as Whole Time Director of the Company for a period of 3 years w.e.f 10th December, 2014.

All the resolutions as set out in the respective notices were passed by the Share holders. No special resolution was passed through Postal Ballot in the financial year 2014-15 and the Company does not propose to pass any Special Resolution through Postal Ballot as on the date of report. **DISCLOSURES:**

Disclosure regarding Material Related Party Transaction:

The Company does not have any related party transactions that are material in nature either with its promoters and/or their subsidiary Companies, Directors, Management and relatives etc that may have potential conflict with the interests of company at large.

6. Disclosures regarding non-compliance:

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.

Vigil Mechanism:

Your Company has in place a Vigil Mechanism for Directors and employees to report concern about the unethical behaviour, actual or suspected fraud and violation of the Code of Conduct or Ethics Policy. The Policy is in line with your Company's Code of Conduct, Vision and Values and forms part of good Corporate Governance.

Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

7. MEANS OF COMMUNICATION:

a) Quarterly/Half/Yearly Financial Results of the Company were forwarded to Stock Exchanges in addition to getting the same published in the leading English Daily (Indian Express) & Regional Newspaper (Kannada Prabha) as per the Listing Agreement.

b) The financial results also displayed on the Company's website – www.maharashtraapex.com

c) Company has not made any presentations to any institutional Investors/Analyst during the year.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Consequent upon the cancellation of the NBFC license the Company desisted from accepting deposit and doing Hire Purchase/Lease/Loan Business. At present Company's activities are restricted to recovery of Hire Purchase instalments/Loans. The Company is also concentrating on repayment of Deposit/Bonds as per the Scheme of arrangement/ restructure sanctioned by the Hon'ble High Court of Karnataka.

BUSINESS REVIEW:

During the year Company collected 93.27 lacs by debt recoveries.

REPAYMENT OF DEPOSIT/BOND:

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, till 31.03.2015, the Company has repaid public investments aggregating to Rs.13834.04 Lakhs through installment payments. The details are given below:

(₹ in lacs)

| Category | Amount Payable | Amount Paid till 31.03.2015 |
|-------------------------------|-----------------|-----------------------------|
| Pri. Amount Rs.5,000/- & less | 1258.70 | 1176.71 |
| Instalments | | |
| I | 3448.10 | 3448.10 |
| II | 4503.00 | 4503.00 |
| III | 3436.08 | 3436.08 |
| IV | 2372.66 | 1269.37 |
| V | 4370.22 | 0.78 |
| TOTAL | 19388.76 | 13834.04 |

INTERNAL CONTROL SYSTEM:

All payments are made from Head Office only and existing Branches are not permitted to disburse any amount without obtaining prior approval from Head Office.

DISCUSSION ON FINANCIAL PERFORMANCE:

This subject has been covered in the Directors' Report.

HUMAN RESOURCE DEVELOPMENT:

The Number of staff has been reduced to the minimum which is essential to run the organisation. There are only 36 Staff members working in the entire organisation as on 31.3.2015.

14. GENERAL SHAREHOLDERS INFORMATION:

| | |
|---|---|
| a) Annual General Meeting: | 71st Annual General Meeting |
| Date: | 30.09.2015 |
| Time: | 12.00 Noon |
| Venue: | Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahaali Camp Road, Yashwantpur, Bangalore – 560 022 |
| b) Financial Year: | 1st April to 31st March. |
| c) Date of Book-Closure: | 25.9.2015 to 30.9.2015 (both days inclusive) for the purpose of Annual General Meeting of the Company. |
| d) Dividend: | The Board of Directors has not recommended any dividend on Equity Shares for the period 2014-15. |
| e) Registered Office: | 3rd Floor, Front Wing, North Block, Manipal Centre, 47, Dickenson Road, Bangalore – 560 042 |
| f) Listing on Stock-Exchanges: | The Equity Shares are listed at the Bombay Stock Exchange Ltd & National Stock Exchange Ltd. The Listing Fee for the year 2014-15 has been paid to both of the Stock Exchanges and custodial fees paid for the year 2014-15 to NSDL and CDSL. |
| g) a) Stock Code BSE: NSE: | 523384 MAHAPEXLTD |
| b) Demat ISIN Number of Equity Shares of the Company: | INE843B01013 As on 31st March, 2015, 87,13,476 Equity Shares forming 61.57% Share Capital of the Company stands Dematerialised. |



b) Share Price Data:

Market price data of the Company's equity Shares in Bombay Stock Exchange Ltd for the period from April, 2014 to March 2015 is as below:

| Month | High | Low |
|-----------------|-------|-------|
| April, 2014 | 6.61 | 5.97 |
| May, 2014 | 6.48 | 5.32 |
| June, 2014 | 10.15 | 5.32 |
| July, 2014 | 11.18 | 8.67 |
| August, 2014 | 11.50 | 9.94 |
| September, 2014 | 13.65 | 11.40 |
| October, 2014 | 13.68 | 13.65 |
| November, 2014 | 14.70 | 12.35 |
| December, 2014 | 12.00 | 8.40 |
| January, 2015 | 7.98 | 6.00 |
| February, 2015 | 6.30 | 4.94 |
| March, 2015 | 4.91 | 3.68 |

c) Registrar and Share Transfer Agents:

M/s Purva Sharegistry (India) Pvt Ltd.
Unit Maha Rashtra Apex Corporation Ltd
9 Shiv Shakti Industrial Estate
7-B J R Boricha Marg
MUMBAI-400 011
Tel: 23010771, 23016761
Email – busicomp@vsnl.com
Web site – www.purvashare.com

Share Transfer Systems

Shares received for transfer by the Company or its Registrar and Transfer Agent in physical mode are processed and all valid transfers are approved. The Share Certificates are duly transferred and dispatched within stipulated time.

d) DISTRIBUTION OF EQUITY SHAREHOLDING ON 31st MARCH, 2015:

| SHARE HOLDING OF NOMINAL VALUE OF | NUMBER | % TO TOTAL | IN ₹ | % TO TOTAL |
|--------------------------------------|--------------|---------------|------------------|---------------|
| (1) | (2) | (3) | (4) | (5) |
| UPTO 5,000 | 9632 | 85.03 | 23729500 | 16.77 |
| 5,001 - 10,000 | 1147 | 10.13 | 8162990 | 5.77 |
| 10,001 - 20,000 | 367 | 3.24 | 5070190 | 3.58 |
| 20,001 - 30,000 | 70 | 0.62 | 1737720 | 1.23 |
| 30,001 - 40,000 | 32 | 0.28 | 1100880 | 0.78 |
| 40,001 - 50,000 | 12 | 0.11 | 538140 | 0.38 |
| 50,001 - 1,00,000 | 32 | 0.28 | 2325660 | 1.64 |
| 1,00,001 AND ABOVE | 36 | 0.32 | 98835920 | 69.85 |
| TOTAL | 11328 | 100.00 | 141501000 | 100.00 |



e) SHAREHOLDING PATTERN AS ON 31st MARCH, 2015

| Category | No. of Shares Held | Percentage of Shareholding |
|------------------------------|--------------------|----------------------------|
| A. Directors and Promoters | 87,74,886 | 62.01 |
| B. Institutional Investors | - | - |
| C. Mutual Funds and UTI | - | - |
| D. Banks | 1,998 | 0.01 |
| E. FIIs | - | - |
| F. Private Corporate Bodies | 3,92,477 | 2.77 |
| G. Indian Public | 49,26,649 | 34.83 |
| H. NRI ((Repat & Non-Repat) | 9,145 | 0.08 |
| I. Any other(Please specify) | - | - |
| i. Hindu Undivided Family | 40478 | 0.28 |
| ii.Trust | 4192 | 0.02 |
| iii.Clearing Member | 275 | 0.00 |
| GRAND TOTAL | 1,41,50,100 | 100.00 |

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity - Nil

f) Plant Locations: Nil

g) ADDRESS FOR INVESTORS CORRESPONDENCE:

M/s Purva Sharegistry (India) Pvt Ltd.
Unit Maha Rashtra Apex Corporation Ltd
9 Shiv Shakti Industrial Estate
7-B J R Boricha Marg
MUMBAI-400 011
Phone: (022) 2301 6761
E-mail:busicomp@vsnl.com
Web site – www.purvashare.com

DECLARATION

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, all Board Members and Senior Management Personnel affirmed compliance with the respective provisions of code of Conduct of the Company for the year ended 31st March, 2015.

Date : 27th May, 2015
Place: Bengaluru

S R Gowda
Whole Time Director

Whole Time Director/CFO CERTIFICATION

To

The Board of Directors
MAHARASTRA APEX CORPORATION LTD
Bangalore

We, Whole Time Director, and Chief Financial Officer of the Company certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of their 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) To the best of our 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We 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 they 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.

CHIEF FINANCIAL OFFICER

WHOLE TIME DIRECTOR

Date : 27th May, 2015
Place: Bengaluru



AUDITORS' CERTIFICATE

We have examined the compliance of corporate governance by Maha Rashtra Apex Corporation Ltd (the Company) for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for the ensuring the compliance of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on such examination, to the best of our information and according to the explanations given to us, we certify that the Company has complied with the material conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future Viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RAO & SWAMI**
Chartered Accountants
FRN:003105S

Bengaluru
27th May, 2015

P V Shenoy
Partner
Membership No.020205

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHA RASHTRA APEX CORPORATION LTD.

Report on the Financial Statements

1 We have audited the accompanying financial statements of MAHA RASHTRA APEX CORPORATION LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The management and Board of Directors of the Company are 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 fairview 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 Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements

5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Basis for qualified Opinion:

By an order dated 13th June 2002, RBI has cancelled the certificate of registration granted to the company to act as Non-Banking Financial Company.



Accrued interest on deposits and bonds were provided up to 31.03.2002 only in accordance with the scheme of restructure of the debts as sanctioned by the Honorable High Court of Karnataka.

All the installment of repayments of deposits/bonds as per the scheme of High Court of Karnataka are due for payment on 15th September 2009 and 15th June 2009. The company stopped repayment of deposits/bonds on maturity dates till the sanction of restructure by the Honorable High Court of Karnataka on 8th October 2004. Now the company has started repayment of deposits/bonds under the sanctioned scheme and shortfall in repayment amounted to ₹5554.72 Lakhs.

Provision has not been made in the accounts as required under RBI prudential Norms since 2000. The effect of non-provision is overstatement of assets by ₹2729.53 Lakhs, and Understatement of loss by ₹2729.53 Lakhs, including Excess provision for diminution in the value of investments ₹65.75 lakhs.

In terms of direction issued by RBI

- i. The company has not obtained Credit Rating.
- ii. The Capital adequacy is negative.
- iii. There has been delay in submission of statement to RBI
- iv. In view of negative net worth all lending and investments are in excess of credit concentration limit stipulated by Reserve Bank of India.
- v. The company has encased all the approved securities and utilized for repayment of deposits/bonds

Emphasis on Matters:

Your kind attention is drawn to the following matters:

- i. Note 3.6 on Notes to accounts, the company is incurring losses since 2001 and its funds are blocked in non performing assets. The assets of the company is completely eroded and net worth of the company is negative. The company has prepared its financial statement of accounts on a going concern basis as the management is of the view that it will be able to recover the dues from the borrowers/debtors and monitor the deficit in operation but we are unable to comment on the ultimate reliability of company's assets. These conditions indicate the existence of material uncertainty that may cast significant doubt about the companies ability to continue as a going concern.
- ii. Provision has not been made in the accounts as required under RBI prudential Norms since 2000. The effect of non-provision is overstatement of assets by ₹2729.53lakhs, and Understatement of loss by ₹2729.53 lakhs, including Excess provision for diminution in the value of investments ₹65.75lakhs.
- iii. No provision for Income tax liability against the order of the AO u/s 143(3) amounting to ₹264.82 Lakhs in respect of following assessment years.
 - i. A.Y 1998 – 99 ₹52.44 Lakhs against disallowance of depreciation on leased asset and not giving credit for Tax
 - ii. A.Y 1999 – 2000 ₹85.80 Lakhs against disallowance of depreciation on Leased assets and Bad debts.
 - iii. A.Y 2000 – 01 ₹126.58 Lakhs against disallowance of depreciation on Leased assets and Bad debts.

These appeals are pending before CIT (A) for disposal.
- iv. Disputed sales tax amounting to ₹17.54 lakhs in Andhra Pradesh pending for disposal Sales Tax Appellate Tribunal.
- iv. Note No 3.12 of Notes on account Un En-cashed cheques amounting to ₹460.38 Lakhs being un encashed DD/Multi city cheques issued for repayment of deposits/Bonds in terms of the scheme which is included under other current liabilities.

Qualified Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, except for the effect/possible effect of the matters included in para under emphasis on matters reported above and the Basis for Qualified Opinion Paragraph, to this report referred to in 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 2015, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 7 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order to the extent applicable.
- 8 As required by section 143(3) of the Act, we report that:
- 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;
 - in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - in our opinion, *except the matters in para on emphasis matter reported above, and basis for qualified may have adverse effect on the functioning on the company,* aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
 - on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - The company has not carried out Internal audit as per section 138 of companies act*
 - In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - The Company has disclosed the impact of pending litigations which would impact its financial position – refer to Note No 3.14 Notes to accounts.
 - The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - As the entire deposit liability is covered under the scheme of arrangement transfer of matured deposit remaining unpaid for a period of exceeding 7 years to Investor Education and Protection Fund, the question of delay in transferring such sums does not arise
 - An amount of ₹12,29,088/- provided in the accounts towards delayed payment of interest under section 194 A of IT Act 1961, on repayment of deposits / bonds is liable for disallowance under 40 (a) (ia).
 - The Company has not complied with appointment of internal auditor as required section 138 of the Companies Act 2013.

For RAO & SWAMI
Chartered Accountants
(Firm's Registration No.003105S)

Place : Bengaluru
Date : 27/05/2015

(P V Shenoy)
(Partner)
(Membership No. 020205)

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPANY FOR THE YEAR ENDED 31ST MARCH, 2015.

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
- (b) i. Fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- ii. Assets on lease have not been physically verified by the Management as most of the assets are under legal proceedings. Material discrepancies noticed on such verification have been properly dealt with in the books of account.
- (ii) The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company
- (iii) The company has not granted any loans, during the year secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
In respect of loans granted in earlier years the repayment of loans is not regular but the company has taken proper steps for recovery.
- (iv) Generally there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Act.
- vii) (a) Based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India ;
- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes. Disputed income tax liability amounting to ₹264.82 lakhs for the Assessment years 1998-99 to 2000-01 are pending before CIT(A) for disposal. This demand has raised on account of disallowance of depreciation on leased assets and bad debts. The said demand is adjusted against refund due to the company. Disputed sales tax amounting to ₹17.54 lakhs in Andhra Pradesh pending for disposal Sales Tax Appellate Tribunal.
- (c) As the entire deposit liability is covered under the scheme of arrangement transfer of matured deposit remaining unpaid for a period of exceeding 7 years to Investor Education and Protection Fund, the question of delay in transferring such sums does not arise
- viii) As at 31st March, 2015, the Company has accumulated loss and the net wealth of the company is completely eroded. The company incurred cash losses in such financial year and in the immediately preceding financial year.



- (ix) According to the records of the company examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures. And interest accrued thereon up to 31.03.2002, the company is in the process repayment as per the scheme of compromise and arrangement sanctioned by the Honorable High Court of Karnataka dated 8th October 2004.
- (x) The Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
- (xi) In our opinion, and according to the information and explanations given to us, the company has not raised any term loans during the year.
- (xii) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

For RAO & SWAMI

Chartered Accountants
(Firm's Registration No.003105S)

Place : Bengaluru
Date : 27/05/2015

(P V Shenoy)

(Partner)
(Membership No. 020205)

₹ in lakhs

| BALANCE SHEET AS ON - 31.03.2015 | | | |
|---|----------|-------------------------------|--------------------------------|
| Particulars | Note No. | Current Year 31 March 2015 | Previous Year 31 March 2014 |
| I. EQUITY AND LIABILITIES | | | |
| 1. Shareholders Funds | | | |
| a) Share Capital | 1 | 1442.74 | 1442.74 |
| b) Reserves & Surplus | 2 | (8863.90) | (8824.48) |
| 2. Non-Current Liabilities | | | |
| a) Other Long Term Liabilities | 3(a) | 651.26 | 632.54 |
| b) Long-Term Provisions | 3(b) | 1262.28 | 1262.28 |
| 3. Current Liabilities | | | |
| a) Short term Borrowing | 4(a) | 867.83 | 269.39 |
| b) Trade Payable | 4(b) | 11.61 | 10.98 |
| c) Other Current Liabilities | 4(c) | 12547.06 | 12674.69 |
| TOTAL | | 7918.88 | 7468.14 |
| II. ASSETS | | | |
| Non Current Assets | | | |
| 1. a) Fixed Assets | | | |
| Tangible Assets | 5(a) | 130.23 | 147.48 |
| (b) Non Current Investments | 5(b) | 2598.47 | 2598.47 |
| (c) Long Term Loans & Advances | 5(c) | 2223.52 | 2235.89 |
| (d) Other Non Current Assets | 5(d) | 2.20 | 2.20 |
| 2. Current Assets | | | |
| (a) Trade Receivables | 6(a) | 807.24 | 902.48 |
| (b) Cash and Cash Equivalents | 6(b) | 1522.61 | 949.90 |
| (c) Other Current Assets | 6(c) | 634.61 | 631.72 |
| TOTAL | | 7918.88 | 7468.14 |
| Significant Accounting Policies and Notes to Accounts | 12 | | |

The Notes are an integral part of these financial statements.

S R Gowda
 Whole Time Director

K B Shetty
 Director

S S Kamath
 Director

 Refer our Report of even date
For RAO & SWAMI,
 Chartered Accountants
 FRN. 003105S

Jyothi V B
 Director

J M Panday
 Company Secretary

P V Shenoy
 Partner

 Bengaluru
 May 27, 2015

 Membership No. 020205
 Bengaluru, May 27, 2015



₹ in lakhs

| STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED -- 31.03.2015 | | | | |
|---|--|----------|-------------------------------|--------------------------------|
| | Particulares | Note No. | Current Year 31 March 2015 | Previous Year 31 March 2014 |
| I. | Revenue from Operations | 7 | 34.58 | 31.77 |
| II. | Other Income | 8 | 134.30 | 106.92 |
| III. | Total Revenue (I+II) | | 168.88 | 138.69 |
| IV. | Expenses: | | | |
| | Employee Benefits Expense | 9(a) | 71.18 | 55.93 |
| | Finance Cost | 9(b) | 277.12 | 293.05 |
| | Depreciation and amortisation expense | 9(c) | 4.03 | 22.24 |
| | Other expenses | 9(d) | 61.31 | 57.40 |
| | Total Expenses | | 413.64 | 428.62 |
| V. | Profit before exceptional and extraordinary items and tax (III-IV) | | (244.76) | (289.93) |
| VI. | Exceptional Items -- | 10 | 40.74 | 71.20 |
| VII. | Profit before extraordinary items and tax (V+VI) | | (285.50) | (361.13) |
| VIII. | Extraordinary Items | 11 | 247.71 | 230.06 |
| IX. | Excess depreciation reversed | | 2.90 | 0.00 |
| X. | Profit before Tax (VII-VIII-IX) | | (34.89) | (131.07) |
| XI. | Tax Expense | | | |
| | (1) Current Tax | | 0.00 | 0.00 |
| | (2) Deferred Tax | | 0.00 | 0.00 |
| XII. | Profit (Loss) for the period from continuing operations (IX-X) | | (34.89) | (131.07) |
| XIII. | Profit (Loss) for the period | | (34.89) | (131.07) |
| XIV. | Earnings per equity share: | | | |
| | (1) Basic | | (0.25) | (0.93) |
| | (2) Diluted | | (0.25) | (0.93) |
| | Significant Accounting Policies and Notes to Accounts | 12 | | |

The Notes are an integral part of these financial statements

Refer our Report of even date

S R Gowda
Whole Time Director

K B Shetty
Director

S S Kamath
Director

For RAO & SWAMI,
Chartered Accountants
FRN. 003105S

Jyothi V B
Director

J M Panday
Company Secretary

P V Shenoy
Partner

Bengaluru
May 27, 2015

Membership No. 020205
Bengaluru, May 27, 2015



₹ in lakhs

| NOTES FORMING PART OF BALANCE SHEET AS ON 31st March 2015 | | | | |
|--|-------------------------------|----------------|--------------------------------|----------------|
| Particulars | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
| I EQUITY AND LIABILITIES | | | | |
| 1. SHARE HOLDERS FUNDS | | | | |
| Note No.1 | | | | |
| SHARE CAPITAL | | | | |
| Authorised | | | | |
| 20000000 Equity Shares of ₹10/- each | 2000.00 | | 2000.00 | |
| 20000000 Redeemable Cumulative Preference Shares of ₹10/- each (P.Y.2,00,00,000 Equity Shares of ₹10/- each & 2,00,00,000 Redeemable Cumulative Preference Shares of ₹10/- each) | 2000.00 | 4000.00 | 2000.00 | 4000.00 |
| Issued : | | | | |
| 14150100 Equity Shares of ₹ 10/- each | 1415.01 | | 1415.01 | |
| 1763500 17.50% Redeemable Cumulative Preference shares of ₹ 10/- each | 176.35 | | 176.35 | |
| 6236500 14% Redeemable Cumulative Preference Shares of ₹ 10/- each | 623.65 | 2215.01 | 623.65 | 2215.01 |
| Subscribed and Fully Paid-up : | | | | |
| 14150100 Equity Shares of ₹ 10// each fully Called-Up (P.Y.14150100 Equity Shares of ₹ 10/- each fully Called-Up) | 1415.01 | | 1415.01 | |
| Less: Calls Unpaid: | | | | |
| Directors /Officers | Nil | | Nil | |
| Others | 3.89 | 1411.12 | 3.89 | 1411.12 |
| 316200 14% Redeemable Cumulative Preference shares of ₹10/- each | | 31.62 | | 31.62 |
| TOTAL | | 1442.74 | | 1442.74 |

- (i) 11,667 Equity Shares of ₹10/- each were allotted as fully paid pursuant to terms of amalgamation without payment being received in cash
- (ii) 4,00,000 Equity Shares of ₹10/- each allotted as fully paid bonus shares on capitalisation of Reserves
- (iii) 4,08,240 Equity Shares of ₹10/- each allotted as fully paid bonus shares on capitalisation of Share Premium account

| Reconciliation of Number of Shares | | | | |
|---|---------------------|---------|---------------------|---------|
| | As at 31-March-2015 | | As at 31-March-2014 | |
| | Number of shares | Amount | Number of shares | Amount |
| Equity Shares: | | | | |
| Balance at the Beginning of the year | 14150100 | 1411.12 | 14150100 | 1411.12 |
| Add: Shares Issued during the year | Nil | 0.00 | Nil | 0.00 |
| Balance at the end of the year | 14150100 | 1411.12 | 14150100 | 1411.12 |
| Preference Shares | | | | |
| <u>17.5% Redemable Cumulative Preference Shares</u> | | | | |
| Balance at the Beginning of the year | 1763500 | 176.35 | 1763500 | 176.35 |
| Add: Shares Issued during the year | Nil | 0.00 | Nil | 0.00 |
| Balance at the end of the year | 1763500 | 176.35 | 1763500 | 176.35 |



₹ in lakhs

| Reconciliation of Number of Shares | | | | |
|---|---------------------|------------|---------------------|------------|
| | As at 31-March-2015 | | As at 31-March-2014 | |
| | Number of shares | Amount | Number of shares | Amount |
| 14% Redemable Cumulative Preference Shares: | | | | |
| Balance at the Beginning of the year | 6236500 | 623.65 | 6236500 | 623.65 |
| Add: Shares Issued during the year | Nil | 0.00 | Nil | 0.00 |
| Balance at the end of the year | 6236500 | 623.65 | 6236500 | 623.65 |
| <p>Rights, Preferences and restrictions attached to shares:</p> <p>Equity Shares: The equity shares have a par value of ₹10 per share. Each shareholder is eligible for one vote per each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company (after distribution of all preferential amounts including payment to the preference shareholders) in proportion to their shareholding.</p> | | | | |
| <p>Preference Shares:</p> <p>Redeemable Cumulative Preference Shares shall be redeemable after expiry of 5 years from the date of allotment. The shares are entitled for preferential right over dividend (before the equity share holders) at the rate 14% which is to be proposed by the Board of Directors and subject to approval of shareholders in the ensuing annual general meeting. However the shares are Cumulative Preference Share and therefore the Shareholders are entitled to carry forward the dividend of a year to the forth coming year/s in case the same is not declared in a year. In the event of liquidation such shareholders are eligible to receive the face value along with cumulative dividend (after distribution of all preferential amount) before the distribution of assets to the equity share holders. In case the assets are not sufficient to cover up the face value, then the same will be distributed in proportion to their shareholding if the surplus available, after distribution of all preferential amount.</p> | | | | |
| List of share holders holding more than 5% of the total number of shares Issued by the company | | | | |
| | As at 31 March 2015 | | As at 31 March 2014 | |
| | Number of shares | Percentage | Number of shares | Percentage |
| Equity Shares: | | | | |
| M/s Manipal Holdings (P) Ltd | 2488875 | 17.59% | 2488875 | 17.59% |
| Mrs Jaya S Pai | 2127365 | 15.03% | 2127365 | 15.03% |
| M/s Chitrakala Investment Trade & Business Finance Ltd. | 906297 | 6.40% | 906297 | 6.40% |
| M/s Metropolis Builders (P) Ltd. | 1354643 | 9.57% | 1354643 | 9.57% |
| Preference Shares | | | | |
| General Investment & Commercial Corporation Ltd. | 20100 | 6.36% | 20100 | 6.36% |



₹ in lakhs

| Particulares | | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|---|--|-------------------------------|------------------|--------------------------------|------------------|
| Note No. 2 | | | | | |
| RESERVES & SURPLUS | | | | | |
| Capital Reserve | | | 1.03 | | 1.03 |
| Capital Redemption Reserve | | | 176.35 | | 176.35 |
| [Redemption of 17.5% RCP Shares] | | | | | |
| Securities Premium Reserve | | | 997.49 | | 997.49 |
| General Reserve | | | 218.61 | | 218.61 |
| Special Reserve | | | 159.52 | | 159.52 |
| [Pursuant to RBI (Amendment) Act, 1997] | | | | | |
| Surplus Statement of Profit & Loss | | | | | |
| Profit/Loss from Previous Year | | (10377.48) | | (10246.41) | |
| Adjustment against Retained Earnings | | (4.53) | | 0.00 | |
| Profit/Loss for the Current Year | | (34.89) | (10416.90) | (131.07) | (10377.48) |
| TOTAL | | | (8863.90) | | (8824.48) |
| NON-CURRENT LIABILITIES | | | | | |
| Note No. 3(a) | | | | | |
| OTHER LONG TERM LIABILITIES | | | | | |
| Amount due to Subsidiaries | | | 204.73 | | 173.61 |
| Lease Security Deposits | | | 446.53 | | 458.93 |
| TOTAL | | | 651.26 | | 632.54 |
| Note No. 3(b) | | | | | |
| LONG TERM PROVISIONS | | | | | |
| Others | | | | | |
| For Non-performing Assets | | | 1262.28 | | 1262.28 |
| TOTAL | | | 1262.28 | | 1262.28 |
| CURRENT LIABILITIES | | | | | |
| Note No. 4(a) | | | | | |
| Short term Borrowings | | | | | |
| Current account overdrawn Balance | | | 867.83 | | 269.39 |
| TOTAL | | | 867.83 | | 269.39 |
| Note No. 4(b) | | | | | |
| TRADE PAYABLES | | | | | |
| H.P and other Creditors | | | 11.61 | | 10.98 |
| TOTAL | | | 11.61 | | 10.98 |



₹ in lakhs

| Particulares | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|--|-------------------------------|-----------------|--------------------------------|-----------------|
| Note No. 4(c) | | | | |
| OTHER CURRENT LIABILITIES | | | | |
| Secured | | | | |
| Unpaid Creditors being outstanding | | | | |
| Bonds/Deposits with interest | | 5438.16 | | 6614.55 |
| Deposit/Bonds with interest less than ₹. 5000/- | | 116.56 | | 117.89 |
| Delayed period interest on Deposit (Secured by first charge on Co's financial assets book debts & receivables) | | 2643.02 | | 2488.34 |
| Unsecured: | | | | |
| Inter Corporate Deposits | | 561.81 | | 561.81 |
| Rent Security Deposit | | 5.28 | | 10.15 |
| TDS for Payments made 2014-2015 | | 0.36 | | 0.37 |
| Liabilities for Expenses | | 14.91 | | 12.50 |
| Cheque issued for repayment of Deposit/Bonds pending realisation | | 460.38 | | 200.70 |
| EMD/Other Advances | | 3300.42 | | 2662.46 |
| Collection and other Accounts | | 0.94 | | 0.70 |
| Other Payables | | 5.22 | | 5.22 |
| TOTAL | | 12547.06 | | 12674.69 |
| *(Refer to Other Disclosure B(3) | | | | |



Note No. 5 (a)
FIXED ASSETS
i) Tangible Assets

₹ in lakhs

| | Gross Block (At Cost) | | | | | | | Depreciation | | | | | Lease Terminal Adjustment | Net Block | | | |
|-------------------------------|-----------------------|-----------|-------------------|------------|----------------------|--------------------|---------------------|--------------------|-------------------|-------------------|------------|-----------------|---------------------------|-----------------|------------------|---------------------|---------------------|
| | As on 01/04/2014 | Additions | On Assets Sold | Deductions | Retained earnings | Impairment Loss | As on 31/03/2015 | Upto 31/03/2014 | for the period | On Assets Sold | Deductions | Excess Depn. | Upto 31/03/2015 | For the year | Previous year | As On 31/03/2015 | As On 31/03/2014 |
| COMPANY ASSETS : | | | | | | | | | | | | | | | | | |
| Land | 37.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 37.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 37.34 | 37.34 |
| Buildings | 131.72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 131.72 | 50.00 | 1.96 | 0.00 | 0.00 | 0.00 | 51.96 | 0.00 | 0.00 | 79.76 | 81.72 |
| Office Furniture & Equipments | 353.27 | 1.18 | 15.70 | 236.30 | 4.53 | 8.93 | 88.99 | 331.25 | 1.19 | 15.37 | 236.30 | 2.83 | 77.94 | 0.00 | 0.00 | 11.05 | 22.02 |
| Motor Cars & Other Vehicles | 6.95 | 0.62 | 0.40 | 0.00 | 0.00 | 0.00 | 7.17 | 4.68 | 0.88 | 0.40 | 0.00 | 0.07 | 5.09 | 0.00 | 0.00 | 2.08 | 2.27 |
| TOTAL | 529.28 | 1.80 | 16.10 | 236.30 | 4.53 | 8.93 | 265.22 | 385.93 | 4.03 | 15.77 | 236.30 | 2.90 | 134.99 | 0.00 | 0.00 | 130.23 | 143.35 |
| ASSETS ON LEASE : | | | | | | | | | | | | | | | | | |
| Plant & Machinery | 812.97 | 0.00 | 73.07 | 0.00 | 0.00 | 31.27 | 708.63 | 770.86 | 0.00 | 62.23 | 0.00 | 0.00 | 708.63 | 0.00 | 37.99 | 0.00 | 4.12 |
| Motor Vehicles | 5.11 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.11 | 5.11 | 0.00 | 0.00 | 0.00 | 0.00 | 5.11 | 0.00 | 0.00 | 0.00 | 0.00 |
| Gas Cylinders | 3.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.20 | 3.20 | 0.00 | 0.00 | 0.00 | 0.00 | 3.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| Furniture | 15.75 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 15.74 | 15.74 | 0.00 | 0.00 | 0.00 | 0.00 | 15.74 | 0.00 | 0.00 | 0.00 | 0.01 |
| TOTAL | 837.03 | 0.00 | 73.07 | 0.00 | 0.00 | 31.28 | 732.68 | 794.91 | 0.00 | 62.23 | 0.00 | 0.00 | 732.68 | 0.00 | 37.99 | 0.00 | 4.13 |
| GRAND TOTAL | 1366.31 | 1.80 | 89.17 | 236.30 | 4.53 | 40.21 | 997.90 | 1180.84 | 4.03 | 78.00 | 236.30 | 2.90 | 867.67 | 0.00 | 37.99 | 130.23 | 147.48 |



₹ in lakhs

| Particulars | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|---|-------------------------------|---------|--------------------------------|---------|
| Note No. 5(b) | | | | |
| NON CURRENT INVESTMENTS | | | | |
| i) Investment in Property | | | | |
| Investment in Land in satisfaction of debt | | 5.01 | | 5.01 |
| INVESTMENTS IN EQUITY INSTRUMENTS | | | | |
| Long term at cost | | | | |
| ii) Quoted Equity Shares : | | | | |
| 20000 Voltas Limited shares of ₹1/- each | 2.92 | | 2.92 | |
| 22000 TATA Power Company Limited shares of ₹1/- each | 2.62 | | 2.62 | |
| 9655 HDFC Bank Shares of ₹2/- each | 6.84 | 12.38 | 6.84 | 12.38 |
| iii) Unquoted Equity Shares Others | | | | |
| 16000 I C D S Ltd. shares of ₹ 10/- each | 6.59 | | 6.59 | |
| 3000 General Investment & Commercial Corporation Ltd. shares of ₹10/- each | 0.30 | | 0.30 | |
| 2000 Shamrao Vithal Co-operative Bank Ltd. shares of ₹ 25/- each | 0.50 | | 0.50 | |
| 200000 Manipal Motors (P) Ltd. Shares of ₹10/- each | 20.00 | | 20.00 | |
| 4000 MPL Enterprises Ltd. Shares of ₹10/- each | 1.65 | | 1.65 | |
| 750000 Bhooma Automobiles (P) Ltd. shares of ₹10/- each | 75.00 | 104.04 | 75.00 | 104.04 |
| iv) Investment in Associates | | | | |
| Unquoted Equity Shares | | | | |
| 5693020 Kurlon Limited shares of ₹10/- each | 1726.06 | | 1726.06 | |
| 36368 Rajmahal Hotels Ltd. Shares of ₹10/- each | 0.76 | | 0.76 | |
| 58436 Mangala Investments Ltd. Shares of ₹10/- each | 1.50 | | 1.50 | |
| 1395000 Manipal Home Finance Ltd. Shares of ₹10/- each | 139.77 | | 139.77 | |
| 33990 Manipal Springs Ltd. Shares of ₹100/- each | 34.16 | 1902.25 | 34.16 | 1902.25 |
| v) Unquoted Equity Shares of Subsidiaries: | | | | |
| 5025100 Maharashtra Apex Asset Management Co. Ltd. shares of ₹10/- each | 502.51 | | 502.51 | |
| 760000 Eldorado Investments (P) Ltd. shares of ₹10/- each | 76.13 | | 76.13 | |
| 1799950 Crimson Estates & Properties Pvt. Ltd. shares of ₹ 10/- each | 180.30 | | 180.30 | |
| | | 758.94 | | 758.94 |



₹ in lakhs

| Particulares | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|--|-------------------------------|----------------|--------------------------------|----------------|
| vi) Investment in Government or Trust Securities | | | | |
| 6 year National Savings Certificate at cost | | 0.14 | | 0.14 |
| 349608.795 Units of UTI - Leadership Equity Fund (Div) of ₹10 each | 14.41 | | 14.41 | |
| 6500 units of UTI - Mastershare (Div) of ₹10/- each | 0.92 | 15.33 | 0.92 | 15.33 |
| vii) Investment in Debentures or Bonds | | | | |
| Unquoted Debentures | | | | |
| 750 Jay Rapid Roller Limited Debentures of ₹1000/- each | | 7.50 | | 7.50 |
| viii) Investment in Mutual Funds: | | | | |
| 54001.28 Franklin Tempelton India - Balanced (Growth) @ 15.62 each | | 8.43 | | 8.43 |
| (Total Market Value of Shares, Debentures, Trustee Securities & Mutual Funds ₹ 203.60 lakhs) | | | | |
| (Previous Year ₹ 145.46 lakhs) | | | | |
| Sub Total | | 2814.02 | | 2814.02 |
| Less: Demuntion In the value of Investment | | 215.55 | | 215.55 |
| TOTAL | | 2598.47 | | 2598.47 |
| Note No. 5 (c) | | | | |
| LONG TERM LOANS & ADVANCES | | | | |
| i) Related Party Advances | | | | |
| Amount due from Fellow Subsidiaries | | | | |
| Eldorado Shares & Services Pvt Ltd. | | 0.00 | | 0.92 |
| ii) Other Loans and Advances | | | | |
| CONSIDERED GOOD : | | | | |
| Secured : | | | | |
| Demand Loans | | 392.81 | | 392.81 |
| Advance Income-Tax and TDS-Net of Provision | | 325.25 | | 316.06 |
| Advance Fringe Benefit Tax (Net of Provision) | | 0.50 | | 0.50 |
| Other Deposits | | 21.43 | | 24.36 |
| Other Loans and Advances | | 86.89 | | 86.95 |
| Unsecured : | | | | |
| Dagny Investment Pvt limited | | 0.56 | | 0.56 |
| Demand Loans | | 1267.75 | | 1282.94 |
| Bills Discounted | | 128.33 | | 130.79 |
| TOTAL | | 2223.52 | | 2235.89 |



₹ in lakhs

| Particulares | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|--|-------------------------------|----------------|--------------------------------|---------------|
| Note No. 5 (d) | | | | |
| OTHER NON CURRENT ASSETS | | | | |
| Term Deposits with banks with maturity period beyond 12 months (Given as security for Bank Guarantee in favour of Sales Tax Authorities.) | | <u>2.20</u> | | <u>2.20</u> |
| 2. CURRENT ASSETS | | | | |
| Note No. 6 (a) | | | | |
| TRADE RECEIVABLES | | | | |
| Unsecured and Considered Good : | | | | |
| - Due for more than 6 months | | | | |
| Motor Vehicles/Machineries given on Hire Purchase contract [at agreement value less amount received, unexpired & unearned Finance Charges and Insurance & Taxes for the future period] | | 662.16 | | 752.45 |
| Commission and Rent Receivable | | | | |
| - Due for more than 6 months | 145.00 | | 149.47 | |
| - Less than 6 months | 0.08 | 145.08 | 0.56 | 150.03 |
| TOTAL | | 807.24 | | 902.48 |
| Note No. 6 (b) | | | | |
| CASH AND CASH EQUIVALENTS | | | | |
| Balances with Banks | | | | |
| With Scheduled Banks in Current accounts | | 32.39 | | 15.44 |
| With Scheduled Banks in Deposit accounts | | 1484.05 | | 930.05 |
| Cash in hand | | 5.50 | | 3.66 |
| Stamps in hand | | 0.13 | | 0.20 |
| Stock of Stationery on hand at cost | | 0.54 | | 0.55 |
| TOTAL | | 1522.61 | | 949.90 |
| Note No. 6(c) | | | | |
| OTHER CURRENT ASSETS | | | | |
| Interest accrued on Investments | | 20.09 | | 14.57 |
| Other Receivables. | | 614.52 | | 617.15 |
| TOTAL | | 634.61 | | 631.72 |
| Note No. 7 | | | | |
| REVENUE FROM OPERATIONS | | | | |
| Income from Hire Purchase, Lease, Loans & Advances | | 27.10 | | 22.51 |
| Lodging Business | | 7.48 | | 9.26 |
| TOTAL | | 34.58 | | 31.77 |

₹ in lakhs

| Particulares | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|---------------------------------------|-------------------------------|---------------|--------------------------------|---------------|
| Note No. 8 | | | | |
| OTHER INCOME | | | | |
| Int. Received on Bank Deposit | | 83.84 | | 79.03 |
| [Tax Deducted at Source ₹ 8,38,102/-] | | | | |
| (Previous Year ₹ 8,19,597/-)] | | | | |
| Other Interest Earned | | 0.12 | | 0.38 |
| Miscellaneous Receipts | | 1.93 | | 1.99 |
| Service Charges | | 1.26 | | 1.12 |
| [Tax Deducted at Source ₹ 18,705/-] | | | | |
| (Previous Year ₹ 20,818/-)] | | | | |
| Income from House Property | | 3.89 | | 3.66 |
| [Tax Deducted at Source - Nil -) | | | | |
| Dividend Income : | | | | |
| Long Term: | | | | |
| - Others | | 9.48 | | 1.46 |
| Income from Profession | | 6.15 | | 6.15 |
| [Tax Deducted at Source ₹ 61,500/-] | | | | |
| (Previous Year ₹ 61,500/-)] | | | | |
| Profit/loss on Sale of Assets | | 0.45 | | 1.52 |
| Sale of scrap papers | | 0.00 | | 1.00 |
| Lease Equalisation | | 27.18 | | 10.61 |
| TOTAL | | 134.30 | | 106.92 |
| EXPENSES | | | | |
| Note No. 9 (a) | | | | |
| EMPLOYEE BENEFITS EXPENSE | | | | |
| Salaries & Bonus | | 54.64 | | 55.30 |
| Contribution to P F and other Funds | | 6.40 | | 6.86 |
| Gratuity | | 6.74 | | -9.15 |
| LC Premium & Service Tax on Gratuity | | 0.05 | | 0.05 |
| Staff Welfare Cost : | | | | |
| - Staff Welfare Expenses | 1.83 | | 1.80 | |
| - Group Insurance Paid | 0.80 | | 0.42 | |
| - Staff Medical Expenses | 0.72 | 3.35 | 0.65 | 2.87 |
| TOTAL | | 71.18 | | 55.93 |
| Note No. 9 (b) | | | | |
| FINANCE COST | | | | |
| Others | | 277.12 | | 293.05 |



₹ in lakhs

| Particulares | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|---|-------------------------------|--------------|--------------------------------|--------------|
| Note No. 9(c) | | | | |
| Depreciation and Amortisation Expenses | | 4.03 | | 22.24 |
| Note No. 9 (d) | | | | |
| Other Expenses | | | | |
| Printing and Stationery | | 1.38 | | 2.66 |
| Postage and Telephones : | | 2.76 | | 5.11 |
| Computers and other Advisory Services : | | 5.32 | | 5.80 |
| Filing Fees | | 0.14 | | 0.04 |
| General Charges : | | 10.23 | | 9.84 |
| Fire and other Insurance Premium | | 0.27 | | 0.35 |
| Newspapers, Books & Periodicals | | 0.18 | | 0.23 |
| Remuneration to Auditors : | | | | |
| - Audit Fees | 1.80 | | 1.75 | |
| - Certification Charges | 0.40 | | 0.25 | |
| - Out of Pocket Expenses | 0.30 | | 0.27 | |
| | | 2.50 | | 2.27 |
| Rent | | 4.47 | | 6.68 |
| Taxes and Licence | | 1.44 | | 2.85 |
| Service Tax | | 2.26 | | 1.05 |
| Value Added Tax Paid | | 0.30 | | 0.00 |
| Travelling Expenditure : | | 2.67 | | 4.36 |
| Legal Expenses | | 11.68 | | 5.62 |
| Advertisement Charges | | 2.65 | | 2.51 |
| Bank Charges | | 0.26 | | 0.54 |
| Electricity Charges | | 1.93 | | 2.15 |
| Repairs to Buildings : | | 8.21 | | 2.09 |
| Other Repairs & Maintenance | | 1.02 | | 0.97 |
| Vehicle Maintenance | | 1.47 | | 2.28 |
| Commission Expenses - Recovery | | 0.17 | | 0.00 |
| TOTAL | | 61.31 | | 57.40 |
| Note No. 10 | | | | |
| Exceptional items | | | | |
| Impairment Loss | | 40.24 | | 0.00 |
| (i) Exceptional Expenses: | | | | |
| Bad Debts Written off | | 34.00 | | 109.47 |
| Less: | | 74.24 | | 109.47 |
| (ii) Exceptional Income: | | | | |
| Bad Debts Recovered | | 33.50 | | 38.27 |
| TOTAL | | 40.74 | | 71.20 |

The company has discontinued hire purchase and Leasing Business and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year varies from year to year. Therefore Bad debts recovered and written off are shown under exceptional items.

| | | |
|---|---------------|---------------|
| Note No. 11 | | |
| Extraordinary items | | |
| Interest Remission and income from Hardship payment of Bonds/Deposits | 247.71 | 230.06 |

The company has discontinued hire purchase and Leasing Business and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year varies from year to year. The Surplus from one time Settlement of deposits/Bonds under Hardship repayment scheme is shown under Extraordinary items.

NOTE NO 12.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015:

SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate Information:

Maha Rashtra Apex Corporation Ltd., is a public limited company domiciled in India registered under the provision of Companies Act 1913. Main object of the company is to carry on the business of hire purchase and leasing. Presently the company has discontinued the operation and concentrated the recovery of Hire purchase and Leasing Advances.

1.1. Basis of preparation of accounts

The Financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India, including the Accounting standards notified under the relevant Provisions of the Companies Act 2013. These Financial Statement are been prepared under historical cost convention on accrual basis except in respect of revenue from hire purchase and leasing and finance activities.

2. Significant Accounting Policies

2.1. Use of estimates

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

2.2. Fixed Assets:

i) Owned Assets (Tangible)

Tangible Assets held for own use are stated at cost net of tax/duty credits availed, if any, less accumulated depreciation less impairment loss, if any.

ii) Leased Assets:

Assets under operating lease are stated at Original Cost less accumulated depreciation, less Lease Terminal Adjustment wherever applicable.

2.3. Depreciation

Depreciation on fixed assets is charged in the accounts based on useful life of the assets as prescribed in schedule II of the companies Act 2013. The management reviewed estimated useful life of the fixed assets with effect from 1st April 2014 and charged the depreciation over the remaining useful life of the assets and the net book value of the fixed assets as at 1st April 2014 is depreciated on a prorata basis over the remaining useful life. Where after retaining the residual value, where the remaining useful life of the assets is nil has been recognized in opening retained earnings. On assets under operating lease period has expired and these assets have been impaired in the books account considering the recoverable value and carrying amount in the books of account. No depreciation is charged in the accounts on these assets.

2.4. Impairment

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment Loss is charged to Profit and Loss statement in the year in which an asset is identified as impaired.

2.5. Investments:

Non-Current Investments are carried at cost. Provision for Diminution in the value of these investments other than temporary in nature is reduced from the value of Long term Investments.

2.6. Current Assets:

Stock on Hire is valued at agreement value, less amount received, unrealized & un-matured finance charges and future taxes & insurance.

2.7. Revenue Recognition:

Income from Suit-filed Accounts and Non-Performing Assets, Overdue Compensation, Interest on Debentures are recognized on receipt basis. Company has not followed prudential norms for income recognition as prescribed by Reserve Bank of India for Non-Banking Financial Companies. Lease equalization is computed in accordance with Guidance note on Accounting for leases issued by ICAI. The company has not entered into any new lease transactions after the effective date of Guidance note on Accounting for leases. Other revenues are recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery. The income from one time settlement of Deposits/Bonds (under Hardship route) is credited to Profit and Loss Account as and when the option is availed by the Deposit/Bond holder. Dividend income is recognized in the year in which the right to receive is established.

2.8. Employee Benefits:

Short-Term Employee Benefits:

All benefits such as salaries, wages, Bonus as per Bonus Act 1965 & ex-gratia leave travel allowance short term compensated absences, etc., which are payable within twelve months of rendering the service are classified as Short-Term Employee benefits and are recognized in the period in which the employees renders related service.

Post Employment Benefits:

Defined Contribution Plan:

The company contributes to state governed Provident Fund Scheme. Under the said scheme, contributions are recognized during the period in which the employees render related service.

Defined Benefit Plans:

The company contributes to LIC Group Gratuity Fund. The company relies on the actuarial valuation made by an Actuary using Projected Unit Credit Method for measurement of obligation towards Post-Employment Benefits under Defined Benefit Plans such as Gratuity. Actuarial gains or losses are recognized in the Statement of Profit & Loss.

Other Long Term Benefits:

Long term benefits such as earned leave are determined based on the actual leave accumulated at the end of the year. Provision is made as per actuarial valuation by an independent actuary.

2.9. Borrowing Costs:

Interest costs are charged to revenue except interest not accounted for as per Note 3.1 (a). Interest costs have been provided for the year as per Note-3.1(g).

2.10. Taxes on Income:

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assessment/appeals before various Appellate Authorities.

Deferred Tax are not recognized in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.11. Provisions, Contingent Liability and contingent Asset:

Provision is recognized in the accounts when there is a present obligation as a results of past events and it is Probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Contingent Liabilities if any are disclosed by way of Notes on Accounts. (Refer Other Disclosure 3.12. below)

3. NOTES TO ACCOUNTS:

3.1. Scheme of Compromise and Arrangement:

The salient features of the scheme of Compromise and Arrangement sanctioned by the High Court of Karnataka under sections 391 to 394 of the Companies Act, 1956 vide its Order dated 8th October, 2004 and filed with the Registrar of Companies, Karnataka on 15th December 2004 with its effective date is as under:

- a) No interest shall accrue or be payable on the bonds/deposits maturing on or after 1st April, 2002 and remaining unpaid/outstanding as on 31.3.2002
- b) Bonds/deposits matured prior to 31st March, 2002 and remaining unclaimed shall be repaid with interest upto the date of maturity and Bonds/deposits accepted/renewed in between 1st April, 2002 and 15th April, 2002 shall be repaid without any interest, on receipt of the claim from the holders thereof.
- c) Any loans/advances granted to any bond/deposit holders shall be set off/adjusted against the deposits/ bonds and the outstanding debts payable by the Company shall be reduced accordingly.

- d) All deposits and bonds of the face value of ₹5,000/- and less shall be paid within six months from the date of order in one installment with interest accrued upto 31st March, 2002
 - e) Deposits/ bondholders receiving interest at monthly/quarterly rests shall be paid the face value in 20 equal quarterly installments.
 - f) Outstanding deposits/bonds other than those stated in para d & e above shall be paid as follows:
 - i) 15% of the face value on or before the expiry of 6th month of the Effective date
 - ii) 20% of the face value on or before the expiry of the 18th month of the Effective date
 - iii) 25% of the face value on or before the expiry of the 30th month of the Effective date
 - iv) 20% of the face value on or before the expiry of the 42nd month of the Effective date
 - v) Balance 20% of the face value and interest payable upto 31st March 2002 on or before the expiry of the 54th month of the Effective date against the surrender of the bond/deposit certificates.
 - g) For delay in payment of installments interest shall be paid @ 6% p.a.
 - h) The Board of Directors shall constitute a Hardship Committee to consider hardship cases on the request made by deposit/bond holders and subject to availability of funds they shall be paid a maximum of 75% of the face value of the outstanding bond/deposit as on the appointed date according to the formula as may be laid down by the Committee.
 - i) Upon the Scheme becoming effective, all Trust Deeds executed between the Company and Trustees for Bond holders shall be and deemed to be cancelled.
 - j) Upon the Scheme becoming effective, the General Investment and Commercial Corporation Limited shall act as trustees for unpaid creditors in respect of outstanding bonds/deposits and such outstanding bonds/deposits shall be secured by first charge on company's financial assets, book debts and receivables.
 - k) The Company shall not carry on the business as a non-banking financial company without the prior permission of the RBI.
- 3.2.** All the Installments as per the scheme in respect of Note 1 (e) and Note 1 (f) have fallen due on 15th Sept., 2009 and 15th June, 2009 respectively. The shortfall in repayment as per the scheme up-to 31st March, 2015 amounts to ₹5554.72 lakhs, (Up to Previous year ₹6732.43 lakhs.)
- 3.3.** There are no deposits matured and remaining unpaid for a period of 7 years during the year ended 31.03.2015. The transfer of unclaimed matured deposits to Investor Protection Fund does not arise in view of the entire deposit liability being covered under the scheme of arrangement.
- 3.4.** The difference between the face value of bonds/deposits and the amount paid in full and final settlement of the same as per Note 3.1(h) is credited to Profit & Loss Statement.
- 3.5.** The Property at Jai Bharath Industrial Estate, Jalahalli Camp Road, Yashanthpur Bangalore was let out to Kurlon Ltd. This property was auctioned by the Karnataka High court on 20/04/2012. M/s Kurlon Ltd was the highest bidder and the Court permitted them to pay the auction price in installments. Vide letter dated 5/4/2013 M/s Kurlon Ltd requested the company for waiver of rent from 1/4/2013 in view of substantial payment of purchase price for which the company agreed. Only on full payment of auction money the court will issue the sale notice to M/s Kurlon Ltd,



3.6. Though the Company is incurring losses since 2001 and its funds are blocked in non-performing assets, it has prepared the accounts ongoing concern basis as the management is of the view that the company will be able to recover the dues from most of the borrowers/ debtors and monitor effectively the deficit in operations.

3.7. The company has not made the provisions as required under the RBI Prudential Norms after 1st April, 2000. When compared to the previous year, the reduction in total provision required at the end of the year is:

| | ₹ in lakhs |
|--|---------------|
| Provision for Non-Performing Assets | ...(-)113.75 |
| Provision for Diminution in the value of Investments | ...(+)65.70 |
| De-recognition of Income on Non-Performing Assets | ...(-)39.32 |
| Total Short Provision | ...(-)2729.53 |

3.8. Land includes agricultural land of the book value of ₹ 0.10 lakhs acquired in 1963 in satisfaction of debt. The Company has claimed compensation in respect of the said property. But as the compensation is not yet determined, the profit or loss is not adjusted in the accounts.

Buildings include ₹ 109.14 lakhs (Previous Year ₹ 109.14 lakhs) being the value of shares in Co-Operative Housing Societies.

Investment includes Land acquired in satisfaction of debt of ₹ 5.01 lakhs. (previous year ₹5.01 Lakhs).

Investments include; NSC of ₹ 0.14 lakhs given as security for Sales Tax.

Term Deposits with Banks include ₹ 2.20 lakhs given as security for Bank Guarantee in favour of Sales Tax Authorities.

750000 equity shares of ₹.10 each in Bhooma Automobiles Ltd., sent for transfer in June 2012 is still pending for transfer in the name of the company. These shares were initially held by the company shown under investment and included in the list submitted to Honorable High Court of Karnataka in CP/37/2003. Subsequently these shares were sold, but ROC Karnataka objected for sale of these shares for not obtaining prior permission from Honorable High Court of Karnataka. Therefore the company repurchased these shares during 2012 and sent for transfer in the companies name.

3.9. Depreciation on Fixed Asset

Pursuant to the enactment of companies act 2013, the company has applied the estimated useful lives as specified in schedule II, Except in respect of leased asset as disclosed in the Accounting policy on depreciation, The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted in the opening balance of Profit and Loss account amounting to ₹4.53 Lakhs under the head Reserves and Surplus and Excess depreciation charged is reversed for those assets, where Written down value is lesser than the salvage value amounting to ₹2.90 Lakhs.

3.10. Impairment of Assets

As per estimation of management impairment losses on fixed asset were recognized in the current year which is charged to the Profit and loss account under exceptional items as given below:

| | |
|-----------------|-----------------|
| a. Own Asset | -- ₹ 8.93 Lakhs |
| b. Leased Asset | -- ₹31.28 Lakhs |

3.11. Current Assets and Loans & Advances :

The Loans and Advances and Sundry Debtors are subject to confirmation.

a) Loans and Advance include;

(I) Due from the Officers of the Company ₹ 0.54 lakhs (P.Y. ₹ 0.52 lakhs),

3.12. Current Liability

ii) Other Current Liabilities includes ₹460.38 lakhs, being un-en-cashed DD/multi-city cheques issued for repayment of deposits/bonds in terms of the scheme.

iii) Un en-cashed DDs amounting to ₹ 3,59,000/- issued for repayment of Non-Convertible Supreme Bond Application Money.

3.13. Disclosures of Related Party Transaction:

1) Name of the related parties with whom transactions were carried out during the year and description of relationship:

i) Subsidiary:

- Maharashtra Apex Asset Management Co. Ltd.
- Crimson Estates & Properties Pvt. Ltd.
- El'Dorado Investments Pvt. Ltd.

ii) Associates

- Kurlon Ltd.
- Manipal Home finance Ltd.,
- Mangala Investment Ltd.,
- Rajmahal Hotels Ltd.,
- Manipal Springs Ltd.

iii) Other Related Party

- Associates - Kurlon Ltd.
- Companies in which director is Interested - Manipal Chit Fund Pvt. Ltd.,

₹ in lakhs

| Nature of Transactions | | Subsidiary company | | Fellow Subsidiary | | Associate Company | | Transaction with Key management personnel | | Other Related Parties | | Total | |
|--|------|--------------------|---------------------|-------------------|---------------------|-------------------|---------------------|---|---------------------|-----------------------|---------------------|-------------------|---------------------|
| | | Transaction Value | Outstanding Balance | Transaction Value | Outstanding Balance | Transaction Value | Outstanding Balance | Transaction Value | Outstanding Balance | Transaction Value | Outstanding Balance | Transaction Value | Outstanding Balance |
| Loans and Advance given and Recovered | 2015 | (31.12) | (204.73) | Nil | Nil | (4.17) | 671.34 | Nil | Nil | 2.85 | 294.59 | (32.44) | 761.21 |
| | 2014 | (13.67) | (173.62) | Nil | Nil | (4.60) | 675.51 | Nil | Nil | (13.80) | 298.93 | (32.07) | 800.82 |
| Advance Received for Purchase of Property. | 2015 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 1700.00 | Nil | 1700.00 |
| | 2014 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 200.00 | 1700.00 | 200.00 | 1700.00 |
| Settlement of Bonds /Deposits | 2015 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 312.22 | Nil | 312.22 |
| | 2014 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | 312.22 | 312.22 | 312.22 | 312.22 |
| Rent Received | 2015 | Nil | Nil | Nil | Nil | 0.03 | Nil | Nil | Nil | Nil | Nil | 0.03 | Nil |
| | 2014 | Nil | Nil | Nil | Nil | 0.03 | Nil | Nil | Nil | Nil | Nil | 0.03 | Nil |
| Remuneration Whole time director | 2015 | Nil | Nil | Nil | Nil | Nil | Nil | 1.11 | Nil | Nil | Nil | 1.11 | Nil |
| | 2014 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Expenses | 2015 | Nil | Nil | Nil | Nil | 0.09 | Nil | Nil | Nil | Nil | Nil | 0.09 | Nil |
| | 2014 | Nil | Nil | Nil | Nil | 0.08 | Nil | Nil | Nil | Nil | Nil | 0.08 | Nil |



Related Party Transactions Details:

1. Loans and Advance given and Recovered :

(Amount in Lakhs)

| Name of the party | Transaction Value – During the Year | | Outstanding Value –Closing value | |
|---|--|---------|-------------------------------------|----------|
| | 2015 | 2014 | 2015 | 2014 |
| Manipal Chit Fund Pvt., Ltd., | Nil | 0.15 | 0.46 | 0.47 |
| CCI Ltd | Nil | (23.03) | 288.37 | 288.37 |
| CCI Ltd – Sundry | 2.85 | 7.70 | 5.76 | 8.61 |
| Maharashtra Apex Asset Management Company Ltd., | (17.95) | 40.23 | (120.67) | (102.73) |
| Crimson Estate & Properties Pvt. Ltd. | (7.25) | (31.76) | (54.66) | (47.41) |
| Eldarado Investment Pvt. Ltd. | (5.92) | (22.14) | (29.40) | (23.48) |
| Eldarado Shares Services Pvt. Ltd. | Nil | 0.82 | Nil | 0.92 |
| Mangala Investment Ltd. | (0.09) | (0.08) | 61.38 | 61.47 |
| Dagny Investment Pvt. Ltd. | Nil | 0.56 | Nil | 0.56 |
| Manipal Springs Ltd., | (4.08) | (4.52) | 609.96 | 614.04 |

2. Advance Received for Purchase of Property.

| Name of the party | Transaction Value | | Outstanding Value | |
|-------------------|-------------------|--------|-------------------|---------|
| | 2015 | 2014 | 2015 | 2014 |
| Kurlon Ltd. | Nil | 200.00 | 1700.00 | 1700.00 |

3. Settlement of Bonds/Deposits

| Name of the party | Transaction Value | | Outstanding Value | |
|-------------------|-------------------|--------|-------------------|--------|
| | 2015 | 2014 | 2015 | 2014 |
| Kurlon Ltd. | Nil | 312.22 | 312.22 | 312.22 |

4. Rent Received

| Name of the party | Transaction Value | | Outstanding Value | |
|-------------------------|-------------------|------|-------------------|------|
| | 2015 | 2014 | 2015 | 2014 |
| Mangala Investment Ltd. | 0.02 | 0.02 | Nil | Nil |
| Rajmahal Hotels Ltd., | 0.01 | 0.01 | Nil | Nil |

5. Remuneration to Whole time Director

| Name of the party | Transaction Value | | Outstanding Value | |
|-------------------|-------------------|------|-------------------|------|
| | 2015 | 2014 | 2015 | 2014 |
| Sri S.R Gowda | 1.11 | Nil | Nil | Nil |

6. Expenses.

| Name of the party | Transaction Value | | Outstanding Value | |
|-------------------------|-------------------|------|-------------------|------|
| | 2015 | 2014 | 2015 | 2014 |
| Mangala Investment Ltd. | 0.09 | 0.08 | Nil | Nil |

3.14. Contingent Liabilities

- a) Suits against the Company for damages not acknowledged as debt ₹.0.28 lakhs.
- b) No Provision is made in the books for disputed Income Tax Liability for the Assessment years 1998-99, 1999-2000 and 2000-01 aggregating ₹.264.82 lakhs as the appeals filed by the company are pending disposal before the CIT(A). The disputed tax has been adjusted by the Department out of refund due. The company is of view that No provision is considered necessary in view of the appeals are pending before are Higher Appellate authorities and confident of winning the appeals successfully in favour of the company. From the Income tax returns filed by the company for the past years Tax deducted at source is due for refund to the company by Income tax department the company is making efforts to get the refund.
- c) No provision is made in the books for the disputed Sales tax liability amounting to ₹17.54 lakhs for the Assessment years 1995-96 to 1996-97 as the appeals filed by the company are pending disposal.
- d) Arrears of Cumulative Fixed Dividend from 31.03.2001 to maturity date for redemption amounts to ₹17.14 lakhs.

3.15. Employee Benefits: AS 15

a) Overview of Employees Benefits:

The compensation to employees for services rendered are as follows:

- (i) Salaries and Wages including compensated absences. Compensated absences such as eligibility towards earned leave are allowed to be accumulated as per company's rules. Such earned leave can be encashed.
- (ii) Bonus as per the Bonus Act, 1965 and ex-gratia in lieu of bonus to those employees who are not covered under the Bonus Act.
- (iii) Contributions under defined contribution plans such as Provident Fund as per Employees Provident and Miscellaneous Provisions Act, etc.
- (iv) Defined Benefit Plans such as Gratuity on cessation of employment. The Company has taken a Master Policy from LIC to fund this defined benefit obligation.
- (v) Other employee benefits such as leave travel allowance.
- (vi) The company has valued the liability in respect of Leave encashment as per actuarial valuation.

The above benefits are subject to eligibility and other criteria as per company's rules.

b) Recognition and Measurement:

- i. Employee benefits are recognised on accrual basis. Liability to compensated absence such as leave encashment are determined by multiplying the actual leave accumulated at the end of the year by the applicable component of salary.
- ii. Liability to defined benefit plan viz. Gratuity are valued on actuarial basis under Projected Unit Credit Method. by LIC.
- iii. Liability under defined contribution schemes such as contribution to Provident Fund ESİ etc are measured based on the contribution due for the year.
- iv. Leave Travel Allowance is recognized based on claim. The un-availed allowance is not recognized as in the opinion of the management; the same will not be material.
- v. Leave Encashment is recognized as per actuarial valuation.

(c) Disclosures pursuant to AS-15 (Revised 2005):

i) Defined Benefit Schemes :(Based)

1. Principal Actuarial Assumptions at the Balance Sheet Date in respect of gratuity:

| Particulars | As at 31.03.15 | As at 31.03.14 |
|-------------------|----------------|----------------|
| Discount rate | 8.00% | 8.00% |
| Salary escalation | 3.50% | 3.50% |

2. Changes in Present Value of Obligation:
in ₹

| Particulars | As on 31.03.2015 | As on 31.03.2014 |
|---|-----------------------------|-----------------------------|
| Present Value of Obligation at the beginning of the year | 15,25,458 | 24,50,907 |
| Interest Cost | 1,22,037 | 2,12,748 |
| Current Service Costs | 76,460 | 1,24,537 |
| Benefits paid | (6,40,173) | (2,36,296) |
| Actuarial Gains | 6,59,733 | (10,26,438) |
| Present Value of the Obligation as at the end of the year | 17,43,515 | 15,25,458 |

3. Changes in the fair value of plan assets:
in ₹

| Particulars | As on 31.03.2015 | As on 31.03.2014 |
|--|-----------------------------|-----------------------------|
| Fair value of the plan assets at the beginning of the year | 27,06,022 | 19,83,900 |
| Expected Return on Plan Assets | 2,96,195 | 1,78,533 |
| Contribution | 8,56,056 | 7,31,833 |
| Benefits Paid | (6,40,173) | (2,36,296) |
| Actuarial gain/(loss) on Plan Assets | Nil | 48,052 |
| Fair Value of the plan assets at the end of the year | 32,18,100 | 27,06,022 |

4. Fair value of Plan Assets:
in ₹

| Particulars | As on 31.03.2015 | As on 31.03.2014 |
|--|-----------------------------|-----------------------------|
| Fair value of Plan Assets at the beginning of Year | 27,06,022 | 19,83,900 |
| Actual Return on Plan Asset | 2,96,195 | 1,78,533 |
| Contributions | 8,56,056 | 7,31,833 |
| Benefits Paid | (6,40,173) | (2,36,296) |
| Fair Value of Plan Assets at the end of the year | 32,18,100 | 27,06,022 |
| Funded Status | 14,74,585 | 11,80,565 |

5. Actuarial (Gain)/Loss recognized:
in ₹

| Particulars | As on 31.03.2015 | As on 31.03.2014 |
|---|-----------------------------|-----------------------------|
| Actuarial (gain)/Loss on Obligation | (6,59,733) | (10,26,438) |
| Actuarial (gain)/Loss for the year on plan assets | Nil | NIL |
| Total (Gain)/Loss for the year | 6,59,733 | 10,26,438 |
| Actuarial (gain)/Loss recognized in the year | 6,59,733 | 10,26,438 |

6. Amounts to be recognized in Balance Sheet:

in ₹

| Particulars | As on 31.03.2015 | As on 31.03.2014 |
|--|---------------------|---------------------|
| Present Value of Obligation as at end of the year | 17,43,515 | 15,25,458 |
| Fair Value of Plan Assets as at the end of the year | 32,18,100 | 27,06,022 |
| Funded Status | 14,74,585 | 11,80,565 |
| Net Assets / (Liability) Recognized in Balance Sheet | 14,74,585 | 11,80,565 |

7. Expenses recognized in statement of Profit and Loss Account:

in ₹

| Particulars | As on 31.03.2015 | As on 31.03.2014 |
|--|---------------------|---------------------|
| Current Service Costs | 76,460 | 1,24,537 |
| Interest Costs | 1,22,037 | 2,12,748 |
| Expected return on plan assets | (2,96,195) | (1,78,533) |
| Net Actuarial (gain)/Loss recognized in the year | 6,59,733 | (10,74,490) |
| Expenses recognized in P & L A/c | 5,62,035 | (9,15,739) |

The above figures for the year 31-3-2014 are as furnished based on the valuation by an independent actuary. For the year 31-3-2015 Figures are as furnished by LIC of India for the purpose of disclosure under AS 15 (R)

The estimates of salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors.

ii. Leave encashment

| Particulars | Amount (₹) |
|---|------------------|
| Change in benefit obligation: | |
| Obligations at period beginning – current (31-3-2014) | 49,508 |
| Obligations at period beginning - Non current | 7,82,720 |
| Service Cost | 3,57,016 |
| Interest on Defined Benefit obligation | 54,611 |
| Benefits settled | (2,99,182) |
| Actuarial (gains)/Loss | 1,34,602 |
| Obligations at period end | 10,79,275 |
| Current Liability (Within 12 months) | 63379 |
| Non-Current Liability | 1015896 |
| Change in plan assets | |
| Plan assets at period beginning, at fair value | 0 |
| Expected return on plan assets | 0 |
| Actuarial gain./(Loss) | 0 |
| Contributions | 299182 |

| | |
|--|-----------------|
| Benefits Settled | (299182) |
| Plan assets at period ended, at fair value | 0 |
| Funded Status | |
| Closing PBO | 10,79,275 |
| Closing fair value of Plan Assets | 0 |
| Closing Funded Status | (10,79,275) |
| Net asset/ (Liability) recognized in balance Sheet | (10,79,275) |
| Expenses recognized in P& L account | |
| Service Cost | 3,57,016 |
| Interest Cost | 54,611 |
| Expected return on Plan asset | 0 |
| Actuarial (gain)/Loss | 1,34,602 |
| Net gratuity/ Leave cost | 5,46,229 |
| Experience Adjustment on Plan Liabilities | 1,34,602 |
| Experience Adjustment on Plan Assets | 0 |
| Assumptions | |
| Interest Rate | 8.00% |
| Discount Factor | 8.00% |
| Estimated rate of return on Plan Asset | 0.00% |
| Salary Increase | 6.00% |
| Attrition Rate | 5.00% |
| Retirement Age | 60 |
| Total Number of Employees | 36 |
| Total Monthly relevant salary for Leave encashment | 4,42,801 |
| Average monthly salary | 12,300 |
| Total Monthly CTC | 4,42,801 |
| Average Age | 51.89 |
| No of leave days [PL / EL] | 2549.50 |
| Average Past Service | 18.72 |
| Average Future Services | 8.11 |
| Decrement adjusted estimated future service | 10.45 |

3.16 Deferred Tax :

Deferred Tax Assets as per AS 22 – No 'Deferred Tax Assets' are recognized in the financial statements in the absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realized.

3.17 Segment Reporting:

The Company is primarily engaged in the business of financial activities and managed as one entity for its various activities. There is only one 'business segment' and 'geographical segment' and, therefore, the segment information as required by AS – 17 'Segment Reporting' is not provided by the Company.

3.18 Preference share Not redeemed

Cumulative Preference Shares amounting to ₹ 31.62 lakhs are not redeemed and no redemption reserve is created as the Company is incurring losses since 2001.

3.19 Earnings Per Share

Basic and Diluted Earnings per Share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earnings per Share".

| (₹ in Lakhs) | | |
|---|----------|-----------|
| Particulars | 2015 | 2014 |
| Profit after Tax as per accounts | ₹(34.89) | ₹(131.07) |
| Weighted average number of shares outstanding | 14150100 | 14150100 |
| Basic EPS | ₹ (0.25) | ₹ (0.93) |
| Profit after Tax as per accounts | ₹(34.89) | ₹(131.07) |
| Weighted average number of shares outstanding | 14150100 | 14150100 |
| Basic EPS | ₹ (0.25) | ₹ (0.93) |
| Face Value per share | ₹ 10.00 | ₹ 10.00 |

3.20 There are no dues to Micro, Small and Medium Enterprises as of 31.03.2015.

3.21 The corresponding figures for the previous year have been regrouped/ rearranged wherever necessary.

S R Gowda
Whole time Director

K B SHETTY
Director

Refer our Report of even date
For RAO & SWAMI,
 Chartered Accountants
 Firm Registration No. 003105S

S S Kamath
Director

Jyothi V B
Director

J M Pandey
Company Secretary

P V Shenoy
Partner
Membership No. 020205

Bengaluru
May 27, 2015

Bengaluru
May 27, 2015

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,
RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANY**

| 1. Name of the Subsidiary Company | MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LTD.. | CRIMSON ESTATE AND PROPERTIES PVT. LTD. | ELDARADO INVESTMENT CO. PVT. LTD. |
|--|--|--|---|
| 2. The Financial period of the Subsidiary Company ended on | March 31, 2015 | March 31, 2015 | March 31, 2015 |
| 3. Year from which they became Subsidiary Company | 2003 | 2003 | 2003 |
| 4. Number of Equity Shares held by MRAC Ltd. at the end of the financial year of the Subsidiary Company | 50,25,100 | 17,99,950 | 7,60,000 |
| 5. Extent of interest of Holding Company at the end of the financial year of the subsidiary | 99.99% | 99.99% | 76.00% |
| 6. The net aggregate amount of the Subsidiary Company Profit/(Loss) so far as concerns the members of the Holding Company | | | |
| 1. Not dealt with in the Holding Company's accounts | | | |
| a) For the financial year ended 31st March, 2015 | (6,48,166) | 13,38,000 | 35,26,992 |
| b) For the previous financial years of the subsidiary Company since it became the Holding Company's Subsidiary | (3,21,62,174) | (85,06,647) | (37,13,477) |
| 2. Dealt with in the Holding Company's accounts | | | |
| a) For the financial years ended 31st March, 2015 | N.A. | N.A. | N.A. |
| b) For the previous financial years of the subsidiary Company since it became the Holding Company's Subsidiary | N.A. | N.A. | N.A. |
| 7. Changes in the interest of Holding Company; between the end of the financial year of the subsidiary and 31st March, 2015 | | | |
| a) Nos. of Shares | No | No | No |
| b) Extent of holding | No | No | No |
| 8. Material Changes between the end of the financial year of the Subsidiary Company and the Company's Financial Statement ended 31st March, 2015 | | | |
| a) Fixed Assets | N.A. | N.A. | N.A. |
| b) Investments | N.A. | N.A. | N.A. |
| c) Money Lent | N.A. | N.A. | N.A. |
| d) Money borrowed other than those for meeting Current Liabilities | N.A. | N.A. | N.A. |

Bengaluru
May 27, 2015

S R Gowda
Whole Time Director

K B Shetty
Director

Jyothi V B
Director

S S Kamath
Director

J M Pandey
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDING 31st March 2015

₹ in lakhs

| | Current Year 31.03.2015 | Previous Year 31.03.2014 |
|--|------------------------------------|-------------------------------------|
| A. Cash flow from Operating Activities : | | |
| Profit/(Loss) before Tax | (34.89) | (131.07) |
| Adjustments for: | | |
| Depreciation | 4.03 | 22.24 |
| Depreciation Adjustment against Retained earnings | (4.53) | 0.00 |
| Lease Equalisation | (27.18) | (10.61) |
| Interest on Investments | (83.84) | (79.03) |
| Dividend Income | (9.48) | (1.46) |
| Profit on Sale of Assets | (0.46) | (1.52) |
| Long term Provisions | 0.00 | (4.67) |
| Operating Profit Before Working Capital Changes | (156.34) | (206.12) |
| (Increase)/Decrease in Trade Receivables | 95.24 | 59.86 |
| (Increase)/Decrease in Long Term Loans and Advances | 12.37 | 95.74 |
| Increase/ (Decrease) in Other Long Term Liabilities | 18.72 | 12.50 |
| Increase/ (Decrease) in Trade Payable | 0.63 | (3.78) |
| Increase/ (Decrease) in Other Current Liability | 895.41 | 1,065.10 |
| Increase/(Decrease) in Short Term Borrowings | 598.44 | 90.58 |
| Cash Generated from Operations | <u>1,464.47</u> | <u>1,113.88</u> |
| Net cash from Operating Activities | 1,464.47 | 1,113.88 |
| B. Cash flow from Investing Activities | | |
| Purchase/Sale of Fixed Assets and Adjustments | 40.85 | 1.00 |
| Purchase/Sale Proceeds of Investments (Net) | 0.00 | (4.86) |
| Dividend Income | 9.47 | 1.46 |
| Interest Received | 80.95 | 72.47 |
| Net Cash from Investing Activities | 131.28 | 70.07 |
| C. Cash Flow from Financing Activities | | |
| Call money received | 0.00 | 0.04 |
| Share premium received | 0.00 | 0.02 |
| Outstanding Deposits Paid off | (1023.04) | (1340.65) |
| Net Cash From Financing Activities | (1023.04) | (1340.59) |
| Net Increase/(Decrease) in Cash and Equivalents (A+B+C) | 572.71 | (156.64) |
| Opening Balance of Cash and Equivalents | 949.90 | 1,106.54 |
| Closing Balance of Cash and Equivalents | 1,522.61 | 949.90 |

S R Gowda
Whole time Director

K B Shetty
Director

S S Kamath
Director

Jyothi V B
Director

J M Pandey
Company Secretary

Bengaluru
May 27, 2015

Refer our Report of even date
For RAO & SWAMI,
Chartered Accountants
Firm Registration No. 003105S

P V Shenoy
Partner
Membership No. 020205

Bengaluru
May 27, 2015



SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY

(as required in terms of Paragraph 9BB of Non-banking Financial Companies Prudential Norms(Reserve Bank) Directions, 1998)

₹ in lakhs)

| Liabilities side: | | Particulars | Amount Outstanding | Amount Over dues |
|---|--|---|---------------------------|-------------------------|
| ((1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | | | | |
| (a) Debentures | | : Secured | 5438.16 | 116.56 |
| | | : Unsecured (other than falling within the meaning of public deposits*) | .... | .... |
| (b) Deferred Credits |  |  | .... | .... |
| (c) Term Loans |  |  | .... | .... |
| (d) Inter-corporate loans and borrowing |  |  | .... | .... |
| (e) Commercial Paper |  |  | .... | .... |
| (f) Public Deposits* |  |  | .... | .... |
| (g) Other Loans (specify nature) |  |  | .... | .... |
| *Please see Note 1 below | | | | |
| (2) Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid): | | | | |
| (a) In the form of Unsecured debentures |  |  | .... | .... |
| (b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security |  |  | .... | .... |
| (c) Other public deposits |  |  | .... | .... |
| *Please see Note 1 below | | | | |
| Assets Side: | | | Amount outstanding | |
| (3) Break-up of Loans and Advances including bills receivables [other than those included in(4) below]: | | | | |
| (a) Secured | | | | 392.81 |
| (b) Unsecured | | | | 1396.08 |
| (4) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities: | | | | |
| (i) Lease assets including lease rentals under sundry debtors: | | | | |
| (a) Financial Lease | | | | 122.64 |
| (b) Operating Lease |  |  |  | .... |



Assets Side:

Amount outstanding

**(ii) Stock on hire including hire charges under
sundry debtors:**

| | |
|------------------------|--------|
| (a) Assets on hire | 662.16 |
| (b) Repossessed Assets | 0.00 |

**(iii) Hypothecation loans counting towards EL/HP
activities:**

| | |
|--|------|
| (a) Loans where assets have been repossessed | .... |
| (b) Loans other than above | .... |

(5) Break-up Investments:

Current Investments:

1. Quoted:

| | | |
|-----------------------------|----------------|------|
| (i) Shares : | (a) Equity | .... |
| | (b) Preference | .... |
| (ii) Debentures and Bonds | | |
| (iii) Units of mutual funds | | |
| (iv) Government Securities | | |
| (v) Others (please specify) | | |

2. Unquoted:

| | | |
|-----------------------------|----------------|------|
| (i) Shares : | (a) Equity | .... |
| | (b) Preference | .... |
| (ii) Debentures and Bonds | | |
| (iii) Units of mutual funds | | |
| (iv) Government Securities | | |
| (v) Others (please specify) | | |

Long term investments:

1. Quoted:

| | | |
|-----------------------------|----------------|-------|
| (i) Shares : | (a) Equity | 12.38 |
| | (b) Preference | .... |
| (ii) Debentures and Bonds |  | .... |
| (iii) Units of mutual funds | | 8.43 |
| (iv) Government Securities | | 15.47 |
| (v) Others (please specify) | | |

2. Unquoted

| | | |
|-----------------------------|----------------|---------|
| (i) Shares : | (a) Equity | 2006.29 |
| | (b) Preference | 0.00 |
| (ii) Debentures and Bonds | | 7.50 |
| (iii) Units of mutual funds | | - |
| (iv) Government Securities | | - |
| (v) Others (please specify) | | 758.94 |

(6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances:

| Category | Amount net of provisions | | |
|---------------------------------|--------------------------|-------------|---------------|
| | Secured | Unsecured | Total |
| ** | | | |
| 1. Related Parties | | | |
| (a) Subsidiaries | ... | .. | |
| ... | | | |
| (b) Companies in the same group | ... | ... | ... |
| (c) Other related parties | ... | ... | ... |
| 2. Other than related parties | 188.34 | 9.33 | 197.67 |
| Total | 188.34 | 9.33 | 197.67 |

(7) Investor group-wise classification of all investments(current and long term) in shares and securities (both quoted and unquoted):
 Please see note 3 below

| Category | Market Vale/Break up or fair value or NAV | Book value (Net of provisions) |
|---------------------------------|---|--------------------------------|
| ** | | |
| 1. Related Parties | | |
| (a) Subsidiaries | 758.94 | 366.46 |
| (b) Companies in the same group | .... | .... |
| (c) Other related parties | .... | .... |
| 2. Other than related parties | 2055.08 | 1910.08 |
| Total | 2814.02 | 2276.54 |

** As per Accounting Standard of ICAI
 (Please see Note 3)

(8) Other information:

| Particulars | Amount |
|---|---------|
| (i) Gross Non-performing Assets | |
| (a) Related parties | .... |
| (b) Other than related parties | 3263.81 |
| (ii) Net Non-performing Assets | |
| (a) Related parties | .... |
| (b) Other than related parties | 456.69 |
| (iii) Assets acquired in satisfaction of debt | .... |

Notes:

- As defined in paragraph 2(1)(xii) of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHARASHTRA APEX CORPORATION LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MAHA RASHTRA APEX CORPORATION LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

- a. Note 12 B(2), Company has prepared its accounts ongoing concern basis despite the erosion of its entire net worth as the liability of the company have been restructured by the scheme of arrangement sanctioned by the Honourable High court of Karnataka. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Holding company's ability to continue as a going concern.

- b. The company has not made Provisions after 1st April 2000 as required under provincial norms of RBI as the management of the view that it will be able to monitor the deficit in operation but we are unable to comment on the ultimate realisability of company's asset.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31st March, 2015 and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

- a. Company is unable to get the financial statement/ financial information of five associate companies, which has not been considered while preparing the consolidated financial statement and its impact on the financial statement could not be ascertained.

Other Matters

- (a) We did not audit the financial statements of Three subsidiaries, whose financial statements reflect total assets of ₹102.28 Lakhs as at 31st March, 2015, total revenues of ₹52.12 Lakhs and net cash flows amounting to ₹9.60 for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and, except for the possible effect of the matter described in sub-paragraph (a) and (b) of the Basis for Qualified opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph and emphasis paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph and emphasis paragraph above, the aforesaid consolidated 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) The matters described in the Basis for Qualified Opinion paragraph and emphasis Paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company except one director of the Group's subsidiary companies, incorporated in India who is disqualified from being appointed as a director in terms of Section 164(2) of the Act,
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- Except for the possible effect of the matter described in sub-paragraph (b) of the Basis of Qualified Opinion and Emphasis matters above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates – Refer Note 12 B(6) to the consolidated financial statements.
 - There are no deposits matured and remaining unpaid for a period of 7 years during the year ended 31.03.2015. The transfer of unclaimed matured deposits to Investor Protection Fund does not arise in view of the entire deposit liability being covered under the scheme of arrangement.
 - Company has not carried out internal audit as required in section 138 of companies Act 2013.

For RAO & SWAMI
Chartered Accountants
(Firm's Registration No.003105S)

Place : Bengaluru
Date : 27.05.2015

(P V Shenoy)
(Partner)
(Membership No. 020205)

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

[Referred to in paragraph 1 under 'Report on Other legal and Regulatory Requirement in the independent auditor's report of even date to the members of MAHA RASHTRA APEX CORPORATION LIMITED on the consolidated financial statements for the year ended 31-03-2015]

- i.
 - a. The group have maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
 - b. During the year, the fixed assets of the group have been physically verified by the management of the respective entity and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to their size and the nature of their assets.
- ii.
 - a. Nature of business of the Holding company does not require it to have an inventory, However, the inventory of the subsidiary have been physically verified by the management of the respective entities and as informed, no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable.
 - b. The procedure of physical verification of inventory followed by the management of the group are reasonable and adequate in relation to their size and the nature of its business.
 - c. The group is maintaining proper records of inventory. There is no Material discrepancies were noticed on physical verification carried out during the year.
- iii. As informed, the group has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions stated in paragraph 3(iii) (a) and 3 (iii) (b) of the order are not applicable.
- iv. In our opinion and according to the information and explanations given by the management of the group, there is an adequate internal control system commensurate with the size of the respective entities and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weakness in internal control system of the respective entities.
- v. In our opinion and according to the information and explanation given by the management of the group, the respective entities have not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and the rules framed thereunder.
- vi. The central Government of India has not prescribed the maintenance of cost records for any of the products of the group under subsection (1) of section 148 of the Act and the rules framed there under.
- vii.
 - a. Based on the records of the group , examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India ;
 - b. According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of undisputed Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any dispute. Disputed income tax liability amounting to ₹264.82 lakhs for the Assessment years 1998-99 to 2000-01 are pending before CIT (A) for disposal. This demand has raised on account of disallowance of depreciation on leased assets and bad debts. The said demand was adjusted against refund due to the company. Disputed sales tax amounting to ₹17.54 lakhs in Andhra Pradesh is pending for disposal before Sales Tax Appellate Tribunal.
 - c. As the entire deposit liability is covered under the scheme of arrangement transfer of matured deposit remaining unpaid for a period exceeding 7 years to Investor Education and Protection Fund, the question of delay in transferring such sums does not arise
- viii. As at 31-3-2015, The group has accumulated loss and the net wealth of the company is completely eroded. The Group has incurred cash losses in the current financial year and in the immediately preceding financial year.

- ix. According to the records of the Group examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures. With regard to interest accrued on deposits & debentures up to 31.03.2002, the company is in the process repayment as per the scheme of compromise and arrangement sanctioned by the Honourable High Court of Karnataka dated 8th October 2004.
- x. According to the information and explanations given by the management of the group, the respective entities have not given any guarantee for loan taken by others from a bank or financial institution during the year.
- xi. According to the information and explanations given by the management the group and respective entities have not raised any term loans during the year.
- xii. During the course of examination of the books and records of the group, carried out in accordance with the generally accepted auditing practices in India, and according to information and explanations given, we have neither come across any instance of fraud on or by the respective entities, nor have we been informed of any such instances by the management of the respective entities.

For RAO & SWAMI
Chartered Accountants
(Firm's Registration No.003105S)

Place : Bengaluru
Date : 27/05/2015

(P V Shenoy)
(Partner)
(Membership No. 020205)

CONSOLIDATED BALANCE SHEET AS AT -- MARCH 31, 2015

₹ in lakhs

| Particulars | Note No. | Current Year 31 March 2015 | Previous Year 31 March 2014 |
|--|----------|-------------------------------|--------------------------------|
| I EQUITY AND LIABILITIES | | | |
| 1 Shareholders Funds | | | |
| a) Share Capital | 1 | 1442.74 | 1442.74 |
| b) Reserves & Surplus | 2 | (8638.79) | (8665.54) |
| c) Minority Interest | | 1.00 | 1.00 |
| 2 Non-Current Liabilities | | | |
| a) Deferred Tax Liabilities(Net) | 3(a) | 0.00 | 0.00 |
| b) Other Long Term Liabilities | 3(b) | 446.53 | 458.93 |
| c) Long-Term Provisions | 3(c) | 1262.28 | 1262.28 |
| 3 Current Liabilities | | | |
| a) Short Term Borrowings | 4(a) | 919.83 | 321.39 |
| b) Trade Payables | 4(b) | 12.86 | 11.24 |
| c) Other Current Liabilities | 4(c) | 12562.71 | 12687.53 |
| d) Short Term Provisions | 4(d) | 12.00 | 13.90 |
| TOTAL | | 8021.16 | 7533.47 |
| II ASSETS | | | |
| Non Current Assets | | | |
| 1 a) Fixed Assets | 5(a) | | |
| (i) Tangible Assets | | 200.28 | 179.20 |
| (ii) Intangible Assets | | 491.32 | 491.32 |
| (b) Non Current Investments | 5(b) | 1905.11 | 1903.43 |
| (c) Long Term Loans & Advances | 5(c) | 2227.92 | 2240.54 |
| (d) Other Non Current Assets | 5(d) | 2.20 | 2.20 |
| 2 Current Assets | | | |
| (a) Inventories | 6(a) | 13.35 | 13.37 |
| (b) Trade Receivables | 6(b) | 808.36 | 904.79 |
| (c) Cash and Cash Equivalents | 6(c) | 1556.97 | 974.66 |
| (d) Short Term Loans and Advances | 6(d) | 149.22 | 152.07 |
| (e) Other Current Assets | 6(e) | 666.43 | 671.89 |
| TOTAL | | 8021.16 | 7533.47 |
| Significant Accounting Policies and Notes to Accounts | 12 | - | - |

The Notes are an integral part of these financial statements

 As per the attached Report of the even date
For RAO & SWAMI,
 Chartered Accountants
 FRN. 003105S

S R Gowda
 Whole time Director

K B Shetty
 Director

S S Kamath
 Director

P V Shenoy
 Partner
 Membership No. 020205

Jyothi V B
 Director

J M Pandey
 Company Secretary

 Bengaluru
 May 27, 2015

 Bengaluru
 May 27, 2015

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED -- MARCH 31, 2015

₹ in lakhs

| Particulars | Note No. | Current Year 31 March 2015 | Previous Year 31 March 2014 |
|---|----------|-------------------------------|--------------------------------|
| I. Revenue from Operations | 7 | 74.52 | 55.99 |
| II. Other Income | 8 | 146.48 | 129.46 |
| III. Total Revenue (I+II) | | 221.00 | 185.45 |
| IV. Expenses: | | | |
| Employee Benefits Expense | 9(a) | 71.18 | 55.93 |
| Finance Cost | 9(b) | 277.12 | 293.05 |
| Depreciation and amortisation expense | 9(c) | 5.99 | 23.92 |
| Excess Depreciation written back | | (2.90) | 0.00 |
| Other expenses | 9(d) | 80.51 | 77.25 |
| Total Expenses | | 431.90 | 450.15 |
| V. Profit before exceptional and extraordinary items and tax (III-IV) | | (210.90) | (264.70) |
| VI. Exceptional Items -- | 10 | 18.34 | 138.53 |
| VII. Profit before extraordinary items and tax (V+VI) | | (229.24) | (403.23) |
| VIII. Extraordinary Items | 11 | 247.71 | 230.06 |
| Profit before Tax (VII-VIII) | | 18.47 | (173.17) |
| IX. Tax Expense | | | |
| (1) Current Tax | | (7.20) | (6.50) |
| (2) Deferred Tax | | 0.00 | 0.00 |
| (3) Excess Provision for IT | | (3.99) | 2.16 |
| X. Profit (Loss) for the period from continuing operations | | 7.28 | (177.51) |
| XI. Profit/(Loss) from discontinuing operations | | 0.00 | 0.00 |
| XII. Tax expense of discontinuing operations | | 0.00 | 0.00 |
| XIII. Profit/(Loss) from discontinuing operations (after tax) | | 0.00 | 0.00 |
| XIV. Profit (Loss) for the period | | 7.28 | (177.51) |
| Minority interest | | (0.00) | (0.17) |
| Profit (Loss) for the period | | 7.28 | (177.68) |
| XV. Earnings per equity share: | | | |
| (1) Basic | | 0.05 | (1.25) |
| (2) Diluted | | 0.05 | (1.25) |
| Significant Accounting Policies and Notes to Accounts | 12 | | |

The Notes are an integral part of these financial statements

As per the attached Report of the even date

For RAO & SWAMI,
 Chartered Accountants
 FRN. 003105S

S R Gowda
 Whole time Director

K B Shetty
 Director

S S Kamath
 Director

Jyothi V B
 Director

J M Pandey
 Company Secretary

P V Shenoy
 Partner
 Membership No. 020205

 Bengaluru
 May 27, 2015

 Bengaluru
 May 27, 2015



NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS ON 31 MARCH 2015

₹ in lakhs

| | | Current Year 31 March 2015 | | Previous Year 31 March 2014 | |
|--|---|-------------------------------|----------------|--------------------------------|----------------|
| I EQUITY AND LIABILITIES | | | | | |
| 1 SHARE HOLDERS FUNDS | | | | | |
| Note No.1 | | | | | |
| SHARE CAPITAL | | | | | |
| Authorised | | | | | |
| 20000000 | Equity Shares of ₹10/- each | 2000.00 | | 2000.00 | |
| 20000000 | Redeemable Cumulative Preference Shares of ₹10/- each (P.Y.2,00,00,000 Equity Shares of ₹10/- each and 2,00,00,000 Redeemable Cumulative Preference Shares of ₹10/- each) | 2000.00 | 4000.00 | 2000.00 | 4000.00 |
| Issued : | | | | | |
| 14150100 | Equity Shares of ₹10/- each | 1415.01 | | 1415.01 | |
| 1763500 | 17.50% Redeemable Cumulative Preference Shares of ₹10/- each | 176.35 | | 176.35 | |
| 6236500 | 14% Redeemable Cumulative Preference Shares of ₹10/- each | 623.65 | 2215.01 | 623.65 | 2215.01 |
| Subscribed and Fully Paid-up : | | | | | |
| 14150100 | Equity Shares of ₹10/- each fully Called Up (P.Y.14150100 Equity Shares of ₹10/- each fully Called-up) | 1415.01 | | 1415.01 | |
| Less: | | | | | |
| | Calls Unpaid: | | | | |
| | Directors /Officers | Nil | | Nil | |
| | Others | 3.89 | 1411.12 | 3.89 | 1411.12 |
| 316200 | 14% Redeemable Cumulative Preference Shares of ₹10/- each | | 31.62 | | 31.62 |
| TOTAL | | | 1442.74 | | 1442.74 |
| (i) 11667 Equity Shares of ₹10/- each were allotted as fully paid pursuant to terms of amalgamation without payment being received in cash (ii) 400000 Equity Shares of ₹10/- each allotted as fully paid bonus shares on capitalisation of Reserves (iii) 408240 Equity Shares of ₹10/- each allotted as fully paid bonus shares on capitalisation of Share Premium account | | | | | |

| Particular | As at 31-March-2015 | | As at 31-March-2014 | |
|--|---------------------|------------|---------------------|------------|
| | Number of shares | Amount | Number of shares | Amount |
| Reconciliation of Number of Shares | | | | |
| Equity Shares: | | | | |
| Balance at the Beginning of the year | 14150100 | 1411.12 | 14150100 | 1411.12 |
| Add: Shares Issued during the year | Nil | Nil | Nil | Nil |
| Balance at the end of the year | 14150100 | 1411.12 | 14150100 | 1411.12 |
| Preference Shares | | | | |
| <u>17.5% Redemable Cumulative Preference Shares</u> | | | | |
| Balance at the Beginning of the year | 1763500 | 176.35 | 1763500 | 176.35 |
| Add: Shares Issued during the year | Nil | Nil | Nil | Nil |
| Balance at the end of the year | 1763500 | 176.35 | 1763500 | 176.35 |
| <u>14% Redemable Cumulative Preference Shares:</u> | | | | |
| Balance at the Beginning of the year | 6236500 | 623.65 | 6236500 | 623.65 |
| Add: Shares Issued during the year | Nil | Nil | Nil | Nil |
| Balance at the end of the year | 6236500 | 623.65 | 6236500 | 623.65 |
| Rights, Preferences and restrictions attached to shares | | | | |
| Equity Shares: | | | | |
| The equity shares have a par value of ₹ 10 per share. Each shareholder is eligible for one vote per each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company (after distribution of all preferential amounts including payment to the preference shareholders) in proportion to their shareholding. | | | | |
| Preference Shares: | | | | |
| Redeemable Cumulative Preference Shares shall be redeemable after expiry of 5 years from the date of allotment. The shares are entitled for preferential right over dividend (before the equity share holders) at the rate 14% which is to be proposed by the Board of Directors and subject to approval of shareholders in the ensuing annual general meeting. However the shares are Cumulative Preference Share and therefore the Shareholders are entitled to carry forward the dividend of a year to the forth coming year/s in case the same is not declared in a year. In the event of liquidation such shareholders are eligible to receive the face value along with cumulative dividend (after distribution of all preferential amount) before the distribution of assets to the equity share holders. In case the assets are not sufficient to cover up the face value, then the same will be distributed in proportion to their shareholding if the surplus available, after distribution of all preferential amount | | | | |
| List of share holders holding more than 5% of the total number of shares Issued by the company | | | | |
| | As at 31-March-2015 | | As at 31-March-2014 | |
| | Number of shares | Percentage | Number of shares | Percentage |
| Equity Shares: | | | | |
| M/s Manipal Holdings (P) Ltd. | 2488875 | 17.59% | 2488875 | 17.59% |
| Mrs Jaya S Pai | 2127365 | 15.03% | 2127365 | 15.03% |
| M/s Chitrakala Investment Trade & Business Finance Ltd. | 906297 | 6.40% | 906297 | 6.40% |
| M/s Metropolis Builders (P) Ltd. | 1354643 | 9.57% | 1354643 | 9.57% |
| Preference Shares | | | | |
| General Investment & Commercial Corporation Ltd. | 20100 | 6.36% | 20100 | 6.36% |



| Particular | As at 31-March-2015 | | As at 31-March-2014 | |
|--|---------------------|-------------------------|---------------------|-------------------------|
| Note No. 2 RESERVES & SURPLUS | | | | |
| Capital Reserve | 78.13 | | 78.13 | |
| Capital Redemption Reserve [Redemption of 17.5% RCP Shares] | 176.35 | | 176.35 | |
| Securities Premium Reserve | 997.49 | | 997.49 | |
| General Reserve | 233.32 | | 233.32 | |
| Special Reserve [Pursuant to RBI (Amendment) Act, 1997] | <u>159.52</u> | 1644.81 | <u>159.52</u> | 1644.81 |
| Surplus Statement of Profit & Loss | | | | |
| Profit/Loss from Previous Year | (10310.35) | | (10132.84) | |
| Adjustment against Retained earnings on consolidation (net) | 19.47 | | 0.00 | |
| Profit/Loss for the Current Year | <u>7.28</u> | (10283.60) | <u>(177.51)</u> | (10310.35) |
| TOTAL | | <u>(8638.79)</u> | | <u>(8665.54)</u> |
| 2. NON-CURRENT LIABILITIES | | | | |
| Note No. 3 (a) | | | | |
| Deferred tax Liabilities (Net) | | <u>0.00</u> | | <u>0.00</u> |
| Note No. 3(b) OTHER LONG TERM LIABILITIES | | | | |
| Lease Security Deposits | | <u>446.53</u> | | <u>458.93</u> |
| Note No. 3(c) LONG TERM PROVISIONS | | | | |
| (i) Others | | | | |
| For Non-performing Assets | | 1262.28 | | 1262.28 |
| TOTAL | | <u>1262.28</u> | | <u>1262.28</u> |
| 3. CURRENT LIABILITIES | | | | |
| Note No. 4(a) Short term Borrowings | | | | |
| Current account overdrawn Balance | | 867.83 | | 269.39 |
| From Others | | 52.00 | | 52.00 |
| | | <u>919.83</u> | | <u>321.39</u> |
| Note No. 4(b) TRADE PAYABLES | | | | |
| H.P and other Creditors | | <u>12.86</u> | | <u>11.24</u> |



₹ in lakhs

| Particular | As at 31-March-2015 | As at 31-March-2014 |
|--|---------------------|---------------------|
| Note No. 4(c) | | |
| OTHER CURRENT LIABILITIES | | |
| Secured | | |
| Unpaid Creditors being outstanding Bonds/Deposits with interest | 5438.16 | 6614.55 |
| Deposit/Bonds with interest less than Rs. 5000/- | 116.56 | 117.88 |
| Delayed period interest on Deposit | 2643.02 | 2488.35 |
| (Secured by first charge on Co's financial assets book debts & receivables) | | |
| Unsecured: | | |
| Inter corporate deposit | 561.81 | 561.81 |
| Rent Security Deposit | 11.28 | 16.15 |
| TDS Payments 2014-15 | 0.36 | 0.37 |
| Liabilities for Expenses | 14.91 | 12.50 |
| Cheque issued for repayments of deposit/bonds pending realisation | 460.38 | 200.70 |
| EMD/Other Advances | 3300.42 | 2662.46 |
| Collection and other Accounts | 0.94 | 0.70 |
| Other Payable | 5.35 | 5.29 |
| Expenses Payable | 9.52 | 6.77 |
| TOTAL | 12562.71 | 12687.53 |
| Note No. 4(d) | | |
| SHORT TERM PROVISIONS | | |
| Provision for Taxation | 12.00 | 13.90 |



Note No. 5 (a)
FIXED ASSETS
i) Tangible Assets

| | Gross Block (At Cost) | | | | | | | | | | Depreciation | | | | Lease Terminal Adjustment | | Net Block | |
|-------------------------------|-----------------------|-------------|-------------------|---------------|----------------------|--------------------|---------------------|--------------------|-------------------|-------------------|---------------|-----------------|--------------------|-----------------|---------------------------|---------------------|---------------------|--|
| | As on 01/04/2014 | Additions | On Assets Sold | Deductions | Retained earnings | Impairment Loss | As on 31/03/2015 | Upto 31/03/2014 | for the period | On Assets Sold | Deductions | Excess Depn. | Upto 31/03/2015 | For the year | Previous year | As On 31/03/2015 | As On 31/03/2014 | |
| Company Assets | | | | | | | | | | | | | | | | | | |
| Land | 37.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 37.34 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | - | - | 37.34 | 37.34 | |
| Buildings and Office Premises | 254.95 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 254.95 | 141.55 | 3.91 | 0.00 | 0.00 | 40.29 | 105.17 | - | - | 149.78 | 113.40 | |
| Office Furniture & Eq. | 353.44 | 1.18 | 15.70 | 236.30 | 4.53 | 8.93 | 89.16 | 331.38 | 1.20 | 15.37 | 236.30 | 2.83 | 78.08 | - | - | 11.08 | 22.06 | |
| Motor cars and other Vehicle | 6.95 | 0.62 | 0.40 | 0.00 | 0.00 | 0.00 | 7.17 | 4.68 | 0.88 | 0.40 | 0.00 | 0.07 | 5.09 | - | - | 2.08 | 2.27 | |
| Total | 652.68 | 1.80 | 16.10 | 236.30 | 4.53 | 8.93 | 388.62 | 477.61 | 5.99 | 15.77 | 236.30 | 43.19 | 188.34 | - | - | 200.28 | 175.07 | |
| Leased Assets | | | | | | | | | | | | | | | | | | |
| Plant & Machinery | 812.97 | 0.00 | 73.07 | 0.00 | 0.00 | 31.27 | 708.63 | 770.86 | 0.00 | 62.23 | 0.00 | 0.00 | 708.63 | 0.00 | 37.99 | 0.00 | 4.12 | |
| Motor vehicles | 5.11 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.11 | 5.11 | 0.00 | 0.00 | 0.00 | 0.00 | 5.11 | - | - | 0.00 | 0.00 | |
| Gas Cylinder | 3.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.20 | 3.20 | 0.00 | 0.00 | 0.00 | 0.00 | 3.20 | - | - | 0.00 | 0.00 | |
| Furniture | 15.75 | 0.00 | 0.00 | 0.00 | 0.00 | 0.01 | 15.74 | 15.74 | 0.00 | 0.00 | 0.00 | 0.00 | 15.74 | - | - | 0.00 | 0.01 | |
| Total | 837.03 | 0.00 | 73.07 | 0.00 | 0.00 | 31.28 | 732.68 | 794.91 | 0.00 | 62.23 | 0.00 | 0.00 | 732.68 | 0.00 | 37.99 | 0.00 | 4.13 | |
| Grand Total | 1489.71 | 1.80 | 89.17 | 236.30 | 4.53 | 40.21 | 1121.30 | 1272.52 | 5.99 | 78.00 | 236.30 | 43.19 | 921.02 | 0.00 | 37.99 | 200.28 | 179.20 | |
| (ii) Intangible Assets | | | | | | | | | | | | | | | | | | |
| Goodwill on Cosolidation | 491.32 | 0.00 | | 0.00 | | | 491.32 | 0.00 | 0.00 | | | | 0.00 | 0.00 | 0.00 | 491.32 | 491.32 | |



₹ in lakhs

| Particular | As at 31-March-2015 | As at 31-March-2014 |
|---|---------------------|---------------------|
| Note No. 5(b) | | |
| NON CURRENT INVESTMENTS | | |
| i) Investment in Property | | |
| Investment in immovable property/land & building | 24.16 | 24.16 |
| INVESTMENTS IN EQUITY INSTRUMENTS | | |
| Long term at cost | | |
| ii) Quoted Equity Shares : | | |
| 20000 Voltas Limited Shares of ₹ 1/- each | 2.92 | 2.92 |
| 22000 TATA Power Company Limited Shares of ₹ 1/- each | 2.62 | 2.62 |
| 9655 HDFC Bank Shares of ₹ 2/- each | 6.84 | 6.84 |
| 15000 India Cements Capital & Finance Ltd. Shares of ₹10/- each | 1.50 | 1.50 |
| 25000 Parekh Platinum Ltd. Shares of ₹ 10/- each | 24.06 | 24.06 |
| | <u>34.94</u> | <u>37.94</u> |
| iii) Unquoted Equity Shares Others | | |
| 16000 I C D S Ltd. shares of ₹ 10/- each | 6.59 | 6.59 |
| 490 Brooklyn Hills (P) Ltd. shares of ₹ 100/- each | 0.49 | 0.49 |
| 352000 Manipal Motors Pvt.Ltd. shares of ₹ 10/- each | 35.27 | 35.27 |
| 3000 General Investment & Commercial Corporation Ltd. shares of ₹ 10/- each | 0.30 | 0.30 |
| 2000 Shamrao Vithal Co-operative Bank Ltd.shares of ₹ 25/- each | 0.50 | 0.50 |
| 240000 Eldarado Investments Co. Pvt. Ltd. shares of ₹ 10/- each | 24.00 | 0.00 |
| 4000 MPL Enterprises Ltd. Shares of ₹ 10/- each | 1.65 | 1.65 |
| 1599800 Bhooma Automobiles (P) Ltd. Shares of ₹ 10/- each | 159.98 | 159.98 |
| 44980 Eldarado Shares Services Pvt. Ltd. shares of ₹ 10/- each | 4.50 | 9.00 |
| 400000 Canara Steel Ltd. Shares of ₹ 10/- each | 40.00 | 40.00 |
| | <u>273.28</u> | <u>253.78</u> |
| iv) Investment in Associates | | |
| Unquoted Equity Shares | | |
| 5693020 Kurlon Limited shares of ₹ 10/- each | 1726.06 | 1726.06 |
| 65990 Manipal Springs Pvt.Ltd. shares of ₹ 100/- each | 66.32 | 66.32 |
| 36368 Rajmahal Hotels Ltd. Shares of ₹ 10/- each | 0.76 | 0.76 |
| 58436 Mangala Investments Ltd. Shares of ₹ 10/- each | 1.50 | 1.50 |
| 1395000 Manipal Home Finance Ltd. Shares of ₹ 10/- each | 139.77 | 139.77 |
| | <u>1934.41</u> | <u>1934.41</u> |
| v) Investment in Government or Trust Securities | | |
| 6 year National Savings Certificate at cost | 0.14 | 0.14 |
| 349608.795 units of UTI - Leadership Equity Fund (Div) of ₹10 each | 14.41 | 14.41 |
| 6500 Units of UTI - Mastershare, (Div) of ₹ 10/- each | 0.92 | 0.92 |
| | <u>15.33</u> | <u>15.33</u> |
| vi) Investment in Debentures or Bonds | | |
| Unquoted Debentures | | |
| 750 Jay Rapid Roller Limited Debentures of ₹ 1000/- each | 7.50 | 7.50 |



₹ in lakhs

| Particular | As at 31-March-2015 | As at 31-March-2014 |
|---|---------------------|---------------------|
| vii) Investment in Mutual Funds: | | |
| 54001.28 Franklin Templeton India - Balanced (Growth) @ 15.62 each | 8.43 | 8.43 |
| (Total Market Value of Shares, Debentures, Trustee Securities & Mutual Funds ₹203.60 lakhs) (Previous Year ₹145.46 lakhs) | | |
| Sub -Total | 2301.19 | 2281.69 |
| Less: Diminution in the Value of Investment | 396.08 | 378.26 |
| TOTAL | 1905.11 | 1903.43 |
| Note No. 5(c) | | |
| LONG TERM LOANS & ADVANCES | | |
| CONSIDERED GOOD : | | |
| Related Party Loans and advance | | |
| Unsecured : Considered good - Fellow subsidiary | 0.00 | 0.92 |
| unsecured : considered good - Associate company | 1.06 | 1.06 |
| Secured : | | |
| Demand Loans | 392.81 | 392.81 |
| Advance Income Tax and TDS - Net of provision | 325.25 | 316.07 |
| Advance Fringe Benefit tax - Net of provision | 0.50 | 0.50 |
| Other loans and advances | 86.89 | 86.95 |
| Deposit with others | 21.43 | 24.36 |
| | 434.07 | 427.88 |
| Unsecured : | | |
| Other Loans and advance | 0.56 | 0.56 |
| Demand Loans | 1267.75 | 1282.94 |
| Bills Discounted | 128.33 | 130.78 |
| Mat Credit | 3.34 | 3.59 |
| | 1399.98 | 1417.87 |
| TOTAL | 2227.92 | 2240.54 |
| Note No. 5 (d) | | |
| OTHER NON CURRENT ASSETS | | |
| Term Deposits with banks with maturity period beyond 12 months (Given as security for Bank Guarantee in favour of Sales Tax Authorities.) | 2.20 | 2.20 |
| 2. CURRENT ASSETS | | |
| Note No. 6 (a) | | |
| INVENTORIES | | |
| Stock In trade | 13.35 | 13.37 |
| Note No. 6 (b) | | |
| TRADE RECEIVABLES | | |
| Unsecured and Considered Good : | | |
| - Due for more than 6 months | | |
| Motor Vehicles/Machineries given on Hire Purchase contract [at agreement value less amount received, unexpired & unearned Finance Charges and Insurance & Taxes for the future period] | 662.16 | 752.44 |
| Commission and Rent Receivable | | |
| - Due for more than 6 months | 145.00 | 149.48 |
| - others less than 6 months | 0.08 | 0.56 |



| Particular | As at 31-March-2015 | As at 31-March-2014 |
|--|---------------------|---------------------|
| Debtors for Share Dealings | | |
| - Due for more than 6 months | | |
| Others | | |
| - others less than 6 months | 1.12 | 2.31 |
| TOTAL | 808.36 | 904.79 |
| Note No. 6 (c) | | |
| CASH AND CASH EQUIVALENTS | | |
| Balances with Banks | | |
| With Scheduled Banks in Current accounts | 59.99 | 33.49 |
| With Scheduled Banks in Deposit accounts | 1490.43 | 936.62 |
| Cash in hand | 5.88 | 3.80 |
| Stamps in hand | 0.13 | 0.20 |
| Stock of Stationery on hand at cost | 0.54 | 0.55 |
| TOTAL | 1556.97 | 974.66 |
| Note No. 6 (d) | | |
| SHORT TERM LOANS AND ADVANCES | | |
| Loans and Advances -Associates | 7.65 | 7.65 |
| Other Receivable | 141.57 | 144.42 |
| TOTAL | 149.22 | 152.07 |
| Note No. 6 (e) | | |
| OTHER CURRENT ASSETS | | |
| Deposit with others | 12.53 | 12.09 |
| Advance tax and tds | 17.17 | 22.87 |
| Interest accrude on investment | 20.09 | 14.57 |
| Other receivable | 614.53 | 617.15 |
| Deferred revenue expenses | 2.11 | 5.21 |
| TOTAL | 666.43 | 671.89 |
| Note No. 7 | | |
| REVENUE FROM OPERATIONS | | |
| Income from Hire Purchase, Lease, Loans & Advances | 27.10 | 22.51 |
| Lodging Business | 7.48 | 9.26 |
| Rent Receipts | 12.84 | 12.84 |
| Income from Recovery of Deceerd Assets | 15.32 | 0.87 |
| Supervision Charges Received | 5.93 | 4.66 |
| Professional Charges Received | 5.85 | 5.85 |
| TOTAL | 74.52 | 55.99 |



₹ in lakhs

| Particular | As at 31-March-2015 | As at 31-March-2014 |
|---|---------------------|---------------------|
| Note No. 8 | | |
| OTHER INCOME | | |
| Int. Received on Bank Deposit | 83.97 | 79.13 |
| Other Interest Earned | 0.79 | 0.97 |
| Miscellaneous Receipts | 1.94 | 3.06 |
| Service Charges | 1.26 | 1.12 |
| Income from House Property | 3.89 | 3.66 |
| Dividend Income : | 9.50 | 1.49 |
| Income from Profession | 6.15 | 6.15 |
| Profit/ Loss on Sale of Asset | 0.46 | 12.07 |
| Sale of Scrap Papers | 0.00 | 1.00 |
| Lease Equalisation | 27.18 | 10.61 |
| Compensation Charges Received | 11.34 | 10.20 |
| TOTAL | 146.48 | 129.46 |
| EXPENSES | | |
| Note No. 9 (a) | | |
| EMPLOYEE BENEFITS EXPENSE | | |
| Salaries & Bonus | 54.64 | 55.30 |
| Contribution to P F and other Funds | 6.40 | 6.86 |
| Gratuity | 6.74 | -9.15 |
| L C Premium & Service Tax on Gratuity | 0.05 | 0.05 |
| Staff Welfare Cost : | | |
| - Staff Welfare Expenses | 1.83 | 1.80 |
| - Group Insurance Paid | 0.80 | 0.42 |
| - Staff Medical Expenses | 0.72 | 0.65 |
| TOTAL | 71.18 | 55.93 |
| Note No. 9 (b) | | |
| FINANCE COST | | |
| Others | 277.12 | 293.05 |
| Note No. 9 (c) | | |
| Depreciation and Amortisation Expenses | 5.99 | 23.92 |
| Note No. 9 (d) | | |
| Other Expenses | | |
| Printing and Stationery | 1.38 | 2.66 |
| Postage and Telephones : | 2.76 | 5.11 |
| Computers and other Advisory Services : | 5.32 | 5.80 |
| Filing Fees | 0.46 | 0.12 |
| General Charges : | 10.22 | 10.66 |
| Fire and other Insurance Premium | 0.27 | 0.35 |
| Service tax paid | 2.26 | 1.05 |
| Vat Paid & Profession tax | 0.35 | 1.00 |



₹ in lakhs

| Particular | As at 31-March-2015 | As at 31-March-2014 |
|--|---------------------|---------------------|
| Newspapers, Books & Periodicals | 0.18 | 0.23 |
| Remuneration to Auditors | 3.91 | 3.13 |
| Rent | 4.68 | 7.19 |
| Taxes and Licence | 1.65 | 3.15 |
| Travelling Expenditure | 2.67 | 4.36 |
| Legal Expenses | 17.55 | 9.73 |
| Advertisement Charges | 2.65 | 2.51 |
| Bank Charges | 0.38 | 0.89 |
| Electricity Charges | 1.93 | 2.15 |
| Repairs to Buildings | 9.40 | 3.36 |
| Other Repairs & Maintenance | 1.26 | 1.18 |
| Vehicle Maintenance | 1.47 | 2.28 |
| Miscellaneous Expenses | 1.49 | 1.16 |
| Compensation for HP Recovery | 0.17 | 0.00 |
| Loss on sale of Investment | 1.35 | 0.00 |
| Society Maintenance Charges | 1.48 | 1.42 |
| Compensation Charges Paid | 1.34 | 1.41 |
| Deferred Revenue Expenses amortized | 3.10 | 2.05 |
| Decreed Asset Recovery Expenses | 0.59 | 0.43 |
| Staff Welfare Expenses of subsidiary | 0.24 | 2.14 |
| Bad Debts Written off of subsidiary | 0.00 | 1.73 |
| TOTAL | 80.51 | 77.25 |
| Note No. 10 | | |
| Exceptional items | | |
| (i) Exceptional Expenses: | | |
| Impairment Loss | 40.24 | 0.00 |
| Bad Debts Written off | 34.00 | 109.47 |
| Provision for diminution in the value of investments | 20.80 | 84.90 |
| Sundry Deposits Written off | 0.07 | 0.36 |
| | 95.11 | 194.73 |
| Less: | | |
| (ii) Exceptional Income: | | |
| Bad Debts Recovered | 40.29 | 0.00 |
| Provision for diminution in the value of investments | 33.50 | 38.27 |
| | 2.98 | 17.93 |
| | 76.77 | 56.20 |
| TOTAL | 18.34 | 138.53 |
| The company has discontinued hire purchase and Leasing Business and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year varies from year to year. Therefore Bad debts recovered and written off are shown under exceptional items. | | |
| Note No. 11 | | |
| Extraordinary items | | |
| Interest Remission and Income | 247.71 | 230.06 |
| From Hardship Payment of Bonds/Deposits | | |
| The company has discontinued hire purchase and Leasing Business and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year varies from year to year. The Surplus from one time Settlement of deposits/Bonds under Hardship repayment scheme is shown under Extraordinary items. | | |

Note - : 12

A) ACCOUNTING POLICY AND NOTES TO FINANCIAL STATEMENT

SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Consolidated Financial Statements:

a) The Subsidiary Companies considered in consolidation are:

| Name of the Company | Country of Incorporation | Extent of holding and voting powers on 31.03.2015 |
|---|--------------------------|---|
| EL'DORADO INVESTMENTS CO. PVT. LTD. | India | 76.00% |
| MAHARASHTRA APEX ASSET MANAGEMENT CO.LTD. | India | 99.99% |
| CRIMSON ESTATE & PROPERTIES PVT. LTD. | India | 99.99% |

Note: During the Year EL'DORADO SHARE SERVICES PVT. LTD. is ceased to be a fellow subsidiary, accounts of the said fellow subsidiary is not incorporated for consolidated financial statements. Previous year figures are re-casted, regrouped, rearranged wherever necessary.

b) The Financial Statements of Maharashtra Apex Corporation Ltd. and its subsidiaries are used in the consolidation are drawn upto the same reporting date as that of the Parent Company, i.e., year ended 31st March, 2015.

2. Principles of Consolidation:

The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-Company balances and transactions have been fully eliminated. Investment in Subsidiaries are eliminated and difference between the cost of investment over the net assets on the date of investment, or on the date of the financial statements immediately preceding the date of investment in subsidiaries are recognized as goodwill or capital reserve, as the case may be.

3. Accounting and Income recognition:

- The financial statements are prepared under the historic cost convention in accordance with the generally accepted accounting principles and provisions of the Companies Act, 2013.
 - The income from Suit Filed Accounts and Non Performing Assets, Overdue compensation interest on debenture are recognised on receipt basis.
 - Other incomes are recognised on the nature of activity when consideration can be reasonably measured and exists reasonable certainty of its recovery.
 - Income from one time settlement of Deposit/Bonds (under Hardship Route) is credited to P&L A/c as and when the option is availed by the Deposit/Bond Holder during the year.
- Fixed Assets are stated at original cost less depreciation after taking into consideration the lease adjustment account wherever necessary.
 - All expenses are accounted on accrual basis except interest for the year on deposits/bonds which are calculated upto 31.3.2002 as per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Karnataka.
 - Investments in respect of Holding company are long-term investments and valued at cost. And The management is of the opinion that the diminution in the value are temporary and the provision already made to recognize the decline is sufficient., In respect of Subsidiaries and associates Investment are valued at cost less diminution in the value of Investment



7. Depreciation on fixed assets is charged in the accounts based on useful life of the assets as prescribed in schedule II of the companies Act 2013. The management reviewed estimated useful life of the fixed assets with effect from 1st April 2014 and charged the depreciation over the remaining useful life of the assets and the net book value of the fixed assets as at 1st April 2014 is depreciated on a prorata basis over the remaining useful life. Where after retaining the residual value, where the remaining useful life of the assets is nil has been recognized in opening retained earnings. On assets under operating lease period has expired and these assets have been impaired in the books account considering the recoverable value and carrying amount in the books of account. No depreciation is charged in the accounts on these assets.

8. Impairment of Assets

As per estimation of management impairment losses on fixed asset were recognized in the current year which is charged to the Profit and loss account under exceptional items as given below:

| | |
|--------------|-----------------|
| Own Asset | - ₹ 8.93 Lakhs |
| Leased Asset | - ₹ 31.28 Lakhs |

9. Current Assets:

- Stock on hire is valued at agreement values less amount received, unrealized, un matured finance charges and future taxes and insurance.
- Repossessed Stock is valued at cost.

10. Cost of borrowings is charged to revenue except interest not accounted as per Note A (5).

11. Retirement Benefits: Contributions are made to the recognized Provident Fund in accordance with the rules. The Company's liability in respect of gratuity is covered by the Group Gratuity Policy of LIC of India. The company has valued the liability in respect of Leave encashment as per actuarial valuation.

12. Earning Per Share: The EPS is computed by dividing the Profit (Loss) after tax for the period by the weighted average number of equity shares outstanding during the period.

13. Contingent liabilities, if any, are disclosed by way of Notes on accounts.

B. NOTES TO ACCOUNTS:

1. Accounts of three subsidiary companies are unaudited considered for preparation of consolidation based on the financial information provided by the management of respective entity. Accounts of Five associate companies could not be consolidated on account of non-availability of financial information.

1. As per the Scheme of Compromise and Arrangement of the holding company sanctioned by the High Court of Karnataka under section 391 to 394 of the Companies Act, 1956 vide its order dated 08.10.2004 and filed with the Registrar of Companies, Karnataka on 15.12.2004, which is the effective date, the holding company:

- has not carried on any business of non-banking financial company during the year except recoveries of advances done in earlier years and repayment of liabilities.
- has started repaying the deposits/bonds as per the terms of the Scheme and the total reduction in liability during the year amounted to ₹ 2686.69 lakhs.
- All the Installments as per the scheme have fallen due on 15th September 2009 and 15th June 2009 and aggregate short fall in repayment as per the scheme upto 31.03.2015 amounts to ₹ 5554.72 lakhs.

2. Though the holding company is incurring losses since 2001 and its substantial funds are blocked in non-performing assets, the accounts have been prepared on going concern basis, as it has started implementing the scheme sanctioned by the High Court of Karnataka and the management is of the view that the company will be able to recover its dues from most of the borrowers/debtors and monitor effectively the deficit in operations.



3. The holding company has not made the provisions as required under the RBI prudential norms after 1st April, 2000 since the management is hopeful of recovery and is of the view that the provisions already made in the books are sufficient to meet the loss. When compared to the previous year, there is reduction in total provisions at the end of the year as detailed below:

| | | (₹. in lakhs) |
|--|-----|---------------|
| Provision for Non Performing Assets | ... | (-)113.75 |
| Provision for Diminution in the value of Investments | ... | (+)65.70 |
| De-recognition of Income on Non-Performing Assets | ... | (-)39.32 |
| Total Short Provision As on 31-3-2015 | ... | 2729.53 |

4. Current assets, Loans & Advances and Sundry Debtors include:

₹ in lakhs

| Name of the party | Transaction Value –During the Year | | Outstanding Value –Closing value | |
|---|---------------------------------------|---------|-------------------------------------|----------|
| | 2015 | 2014 | 2015 | 2014 |
| Manipal Chit Fund Pvt., Ltd., | Nil | 0.15 | 0.46 | 0.47 |
| CCI Ltd. | Nil | (23.03) | 288.37 | 288.37 |
| CCI Ltd. – Sundry | 2.85 | 7.70 | 5.76 | 8.61 |
| Maharashtra Apex Asset Management Company Ltd., | (17.95) | 40.23 | (120.67) | (102.73) |
| Crimson Estate & Properties Pvt Ltd. | (7.25) | (31.76) | (54.66) | (47.41) |
| Eldarado Investment Pvt. Ltd. | (5.92) | (22.14) | (29.40) | (23.48) |
| Eldarado Shares Services Pvt Ltd | Nil | 0.82 | Nil | 0.92 |
| Mangala Investment Ltd. | (0.09) | (0.08) | 61.38 | 61.47 |
| Dagny Investment Pvt. Ltd. | Nil | 0.56 | Nil | 0.56 |
| Manipal Springs Ltd., | (4.08) | (4.52) | 609.96 | 614.04 |

5. Contingent Liabilities:

- Suits against the holding company for damages not acknowledged as debt : ₹ 0.28 lakhs.
- No Provision is made in the books for disputed Income Tax Liability for the Assessment years 1998-99 to 2000-01 aggregating ₹ 264.82 lakhs as the appeals filed by the company are pending disposal. The disputed tax has been adjusted by the Department out of refund due. The company is of view that No provision is considered necessary in view of the appeals are pending before are Higher Appellate authorities and confident of winning the appeals in favour of the company
- No provision is made in the accounts for the disputed sales tax liability amounting to ₹ 17.54 lakhs for the Assessment Year 1995-96 to 1996-97 as the appeal filed by the Company is pending disposal.
- Arrears of Cumulative Fixed Dividend from 31.03.2001 to maturity date for Redemption ₹ 17.14 lakhs.

6. Deferred Tax

The holding company has not accounted Deferred Tax Asset resulting from accumulated losses and excess depreciation claimed in Income-tax, because of uncertainty of availability of sufficient future taxable income. Deferred tax liability represents that of the Subsidiaries.



7. Earning Per Share

(₹. in lakhs)

| Description | March 31, 2015 | March 31, 2014 |
|---|----------------|----------------|
| a) Net profit/loss available for equity Shareholders (in lakh) numerator used for calculation | 7.28 | (177.68) |
| | (Nos.) | (Nos.) |
| b) Weighted Average no. of Equity Shares used as denominator for calculation of Earning per Share | 1,41,50,100 | 1,41,50,100 |
| Basic/Diluted- EPS | 0.05 | (1.25) |
| Face Value Per Share(Rs.) | 10 | 10 |

S R Gowda
Whole Time Director

K B Shetty
Director

S S Kamath
Director

Report of even date,
for RAO & SWAMI
Chartered Accountants
FRN 003105S

Jyothi V B
Director

J M Panday
Company Secretary

P V Shenoy
Membership No.020205
Partner

Bengaluru
May 27, 2015

Bengaluru
May 27, 2015



| CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015 | | | ₹ in lakhs |
|---|--------------------------------|--------------------------------|------------|
| | As at 31 March 2015 | As at 31 March 2014 | |
| A. Cash flow from Operating Activities : | | | |
| Profit/(Loss) before Tax | 18.47 | (173.17) | |
| Adjustments for : | | | |
| Deferred Tax charged to p&l | 0.00 | 0.00 | |
| Excess provision written back | (3.99) | 2.16 | |
| Depreciation | 5.99 | 23.92 | |
| Lease Equalisation | (27.18) | (10.61) | |
| Interest on Investments | (83.97) | (79.13) | |
| Dividend Income | (9.50) | (1.49) | |
| Adjustment against Retained earnings on consolidation (net) | 19.47 | 3.84 | |
| Profit on Sale of Assets | (0.46) | (12.07) | |
| Operating Profit Before Working Capital Changes | (81.17) | (246.55) | |
| (Increase)/Decrease in Inventories | 0.02 | 27.48 | |
| (Increase)/ Decrease in Trade Receivables | 96.43 | 78.33 | |
| (Increase) / Decrease in Short term Loans and Advances | 2.85 | (17.63) | |
| (Increase)/ Decrease in Other Current Asset | 5.46 | (3.60) | |
| (increase)/Decrease in Long Term Loans and Advances | 12.63 | 90.98 | |
| (increase)/Decrease in other Long Term Liabilities | (12.40) | (1.15) | |
| (increase)/ Decrease in Other Long Provision | 0.00 | (4.67) | |
| Increase/ (Decrease) in Trade Payable | 1.62 | (3.52) | |
| Increase/(Decrease) in Short term Borrowings | 598.44 | 90.52 | |
| Increase/ (Decrease) in Other Current Liability | 898.22 | 1,049.62 | |
| Increase/ (Decrease) in short term Provision | (1.90) | 5.95 | |
| Cash Generated from Operations | 1,520.20 | 1,065.76 | |
| Less: Tax Expenses | | | |
| Direct Taxes Paid | (7.20) | (6.50) | |
| Deferred Tax | (0.00) | (0.00) | |
| Net cash from Operating Activities | 1,513.00 | 1,059.26 | |
| B. Cash flow from Investing Activities | | | |
| Purchase/Sale of Fixed Assets | 0.56 | 11.55 | |
| Purchase/Sale Proceeds of Investments (Net) | (1.68) | 35.56 | |
| Dividend Income | 9.50 | 1.49 | |
| Interest Received | 83.97 | 79.13 | |
| Net Cash from Investing Activities | 92.35 | 127.73 | |
| C. Cash Flow from Financing Activities | | | |
| Call Money Received | 0.00 | 0.04 | |
| Security Premium received | 0.00 | 0.02 | |
| Outstanding Deposits Paid off | (1023.04) | (1340.65) | |
| Net Cash From Financing Activities | (1023.04) | (1340.59) | |
| Net Increase/(Decrease) in Cash and Equivalents (A+B+C) | 582.31 | (153.61) | |
| Opening Balance of Cash and Equivalents | 974.66 | 1,128.27 | |
| Closing Balance of Cash and Equivalents | 1,556.97 | 974.66 | |

Note:

During the Year EL'DORADO SHARE SERVICES PVT. LTD. is ceased to be a fellow subsidiary, figures for the year end 31st March 2015 are strictly not comparable with previous year.

S R Gowda
Whole Time Director

K B Shetty
Director

S S Kamath
Director

Report of even date,
for RAO & SWAMI
Chartered Accountants
FRN 003105S

Jyothi V B
Director

J M Panday
Company Secretary

P V Shenoy
Membership No.020205
Partner

Bengaluru
May 27, 2015

Bengaluru
May 27, 2015



**Maha Rashtra Apex
Corporation Limited**

CIN-L85110KA1943PLC001177.

website www.maharashtraapex.com. Email-mraci.ho@manipal.com.

Tel:080-40313131

Regd Office : 3rd Floor, Front Wing North Block, Manipal Centre
47, Dickenson Road, BENGALURU – 560042

ATTENDANCE SLIP
(71st Annual General Meeting)

Folio No. /DP ID No. & Client ID No. No. of shares held.....

I hereby record my presence at the 71st Annual General Meeting held on Wednesday, 30th
September, 2015 at 12.00 noon at Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli
Camp Road, Yashwantpur, Bangalore – 560 022.

Member's Name:

Proxy's Name:

Member's/ Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the Hall.

**Maha Rashtra Apex**

Corporation Limited

CIN-L85110KA1943PLC001177.

website www.maharashtraapex.com. Email-mraci.ho@manipal.com. Tel:080-40313131Regd Office : 3rd Floor, Front Wing North Block, Manipal Centre

47, Dickenson Road, BENGALURU – 560042

PROXY FORM

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

Name of the member(s):

Email ID:

Registered Address:

Folio No. /Client ID:

DP Id:

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

1. Name:

Address:

E-mail Id:

Signature:

, or failing him

2. Name:

Address:

E-mail Id:

Signature:

, or failing him

3. Name:

Address:

E-mail Id:

Signature:

, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 71st Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2015 at 12.00 noon at Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli Camp Road, Yashwantpur, Bangalore – 560 022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:

| Item No. | Resolutions | For | Against |
|----------|---|-----|---------|
| 1 | Adoption of Financial Statements for the year ended 31st March, 2015 together with the reports of the Directors' and Auditors' thereon. | | |
| 2 | Re-appointment of Sri S.R. Gowda (DIN: 00046329), who retires by rotation. | | |
| 3 | Ratification of appointment of M/s. Rao & Swami, Chartered Accountants as Auditors & fixing their remuneration. | | |
| 4 | Regularisation of appointment of Smt. Jyothi V B (DIN: 07133349) as a Director of the Company liable to retire by rotation. | | |

*It is optional to indicate your preference. If you leave the 'for or against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Signed this _____ day of _____ 2015

Signature of Shareholder

Signature of Proxy holder (s)

Affix
Revenue
Stamp

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. The form should be signed across the stamp as per specimen signature registered with the Company.

3. A Proxy need not be a member of the Company.

Book Post



If not delivered, please return to :



**Maha Rashtra Apex
Corporation Limited**

Admn. Off : Syndicate House, Manipal - 576 104