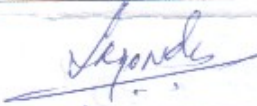


ANNEXURE -1

Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2017
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

Name of the Company: Maha Rashtra Apex Corporation Limited.
CIN-L85110KA1943PLC001177

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	Not Applicable	Not Applicable
	2.	Total Expenditure	Not Applicable	Not Applicable
	3.	Net Profit/(Loss)	-38.97	-1776.52
	4.	Earnings Per Share	-0.28	-12.55
	5.	Total Assets	5,427.46	4,829.43
	6.	Total Liabilities	5,427.46	4,829.43
	7.	Net Worth	-7483.44	-9220.99
	8.	Any other financial item(s) (as felt appropriate by the management)	-	
II	Qualification (each audit qualification separately):			
	a. Details of Audit Qualification: Enclosed			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing All the points repetitive since 2002.			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's views: List Enclosed.			
	e. Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification: -			
	(ii) If management is unable to estimate the impact, reasons for the same: 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 Company will be able to recover the dues from most of the borrowers/debtors and monitor the effectively the deficit in operation.			
	(iii) Auditors' Comments on (i) or (ii) above: 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.			
III	Signatories: For Maha Rashtra Apex Corporation Limited			
	CEO/Managing Director 			
	CFO 			
	Audit Committee Chairman 			
	Statutory Auditor: 			




Maha Rashtra Apex Corporation Limited.

CIN-L85110KA1943PLC001177

For Audit Qualification(s) where the impact is quantified by the Auditor, Management's views:

1. The Company has not made 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:

		Rs. in lacs
Short Provision: <i>OP BAL</i>	1868.99	
Provision for Non- Performing Assets:	-339.32	
Provision for Diminution in the value of Investments:	Nil	
De-recognition of Income on Non-Performing Assets:	-74.48	

Total Short Provision: <i>CL BAL</i>	1455.19	

2. All the instalments as per the Scheme have fallen due on 15th September, 2009 and 15th June, 2009 respectively. The shortfall in repayment as per the scheme up to 31st March, 2017 amounts to Rs.4222.85 lacs.

3. No Provision is made in the books for disputed Income Tax Liability for the Assessment years 1998-99, 1999-2000 and 2000-01 aggregating Rs.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 the 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.

No provision is made in the books of account for disputed Sales Tax liability amounting to Rs.17.54 lakhs for Assessment years 1995-96 to 1996-97 as the appeals filed by the Company are pending disposal.



Signature

INDEPENDENT AUDITOR'S REPORT

To
Board of Directors of
MAHARASHTRA APEX CORPORATION LTD.

1. We have audited the accompanying statement of standalone financial results of "MAHARASHTRA APEX CORPORATION Limited" ("the Company") for the year ended March 31, 2017 ("the statement"), being submitted by the Holding Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. This statement, which is the responsibility of the Company's management approved by the Board of Directors at their board meeting held on 26th May 2017, has been complied with the related standalone Financial Statements which have been prepared in accordance with the Accounting Standards prescribed under section 133 of the companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these financial results based on our audit of such Consolidated Financial Statements.
3. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. These procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the holding company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of statement.

We believe that audit evidence obtained by us is sufficient and appropriate to provide a basis for audit opinion.



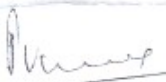
4. We draw your attention to the following notes of the financial Statement for the year ended 31st March 2017 (which forms basis of the results)

- i. *The net worth of the company is negative but the financial statements has been prepared on "going concern" basis under the presumption that deficit of operation will be monitored effectively.*
- ii. *By its order dated 13th June 2002 RBI has cancelled the certificate of registration certificate granted to the company to act as Non-Banking Financial Company.*
- iii. *Provision has not been in the accounts as required under RBI prudential norms since 1.4.2001.*
- iv. *The honorable High Court of Karnataka vide its order dated 8th October 2004 sanctioned a scheme of restructure for repayment of deposits/bonds. As per scheme all the Installments of repayment of deposits/bonds have fallen due. As on date these deposits/bonds are resulting in shortfall of repayments.*
- v. *Depreciation and amortization is charged as per schedule II of the companies Act-2013 and rules made there under. During the year Impairment loss on assets is charged to Profit & Loss statement amounting to Rs..0.43 lakhs.*
- vi. *Provision is not made in the accounts for disputed Income Tax and sales tax liability aggregating Rs.264.82 lakhs and Rs.17.54 lakhs respectively.*
- vii. *We did not audit the financial statement of subsidiary companies for the year to date of the company. The consolidated financial statement do not include the accounts of Associate Companies*

5. In our opinion and to the best of our information and according to the explanations given to us, the statement:

- i) is presented in accordance with the requirements of regulations 33 of the SEBI (Listing obligations and disclosure Requirements) Regulations 2015; and
- ii) gives a true view and in conformity with the Accounting Standard and other accounting principles generally accepted in India of the net loss and other financial information of the company, for the year ended 31st March,2017.
- iii) The statements includes the results for the quarter ended 31st March,2017 being the balance between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the financial year which were subject to limited review by us.

For **RAO & SWAMI**,
Chartered Accountants,
ICAI Firm's Registration Number:003105S



PV SHENOY,
(Partner)
Membership Number 020205
Place: Udupi
Dated:26/05/2017.

