



70th

ANNUAL REPORT 2013 - 2014



**Maha Rashtra Apex
Corporation Limited**

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

Respectful Salutations...



Late Sri T Ramesh U Pai

BOARD OF DIRECTORS

Whole Time Director	:	Sri S R GOWDA
Director	:	Sri G A REGO
Director	:	Sri K B SHETTY
Director	:	SRI V R HEBBAR (UP TO 06-06-2014)
Director	:	SRI S S KAMATH (FROM 03-07-2014)
Company Secretary	:	Sri J M PANDAY
Bankers	:	SYNDICATE BANK CORPORATION BANK INDIAN OVERSEAS BANK
Auditors	:	M/s RAO & SWAMI Chartered Accountants, Vidyarthna Building, UDUPI - 576 101
Registered Office	:	3 rd Floor, Front Wing, North Block, Manipal Centre, 47, Dickenson Road Bangalore – 560 042
CIN	:	L85110KA1943PLC001177
Telephone No	:	0820-2571021
Fax No	:	0820-2571112
Email Id	:	mracl.ho@manipal.com
Website	:	www.maharashtraapex.com
Administrative Office	:	Syndicate House Upendra Nagar MANIPAL – 576 104
Stock Exchnages where Shares arelisted	:	National Stock Exchange of India Limited. Bombay Stock Exchange Limited
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, Opp: Kasturba Hospital Lower Parel (E) MUMBAI-400 011

NOTICE

NOTICE is hereby given that the 70th Annual General Meeting of the members of **MAHA RASHTRA APEX CORPORATION LIMITED** will be held as follows:

Date: Tuesday, 30th September, 2014 Time: 11.00 a.m.

Venue: Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli Camp Road, Yashwantpur, Bangalore – 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, 2014 and the Balance Sheet as on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint Auditors and to fix their remuneration. In this connection, 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 rules made thereunder, and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Rao & Swami, Chartered Accountants (Registration No.003105S) be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of the 70th Annual General Meeting up to the conclusion of 73rd Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

3. To consider and thought fit, to pass, with or without modification (s) the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150 & 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri Sevagoor Srinivas Kamath (DIN 01039656) who was appointed as an Additional Director of the Company pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Article 139 of the Articles of Association of the Company in the category of Non-Executive Independent Director with effect from 3rd July, 2014 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature to the office of Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto 31st March, 2019.”

4. To consider and thought fit, to pass, with or without modification (s) the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150 & 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri K B Shetty (DIN 01451944), Independent Director of the Company who was earlier appointed as a Director liable to retire by rotation and hence, retires by rotation at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature to the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for a term upto 31st March, 2019.”

5. To consider and thought fit, to pass, with or without modification (s) the following Resolution as a Special Resolution:



“RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of Clause No. 134 & 180 of the Articles of Association, approval of the Company be and is hereby accorded to the re-appointment of Sri Subbarame Gowda (DIN: 00046329) as the Whole-time Director of the Company for a period of 3 years from 10th December, 2014 to 9th December, 2017 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Sri Subbarame Gowda (DIN: 00046329), subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and actions as may be necessary to give effect to the above resolution.”

BY ORDER OF THE BOARD

Place: Manipal
Date: 13th August, 2014

SR GOWDA
Whole Time Director
DIN: 00046329

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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.
3. Members/Proxies should bring the enclosed Attendance Slip duly filled in, for attending the meeting.
4. 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.
5. The relevant Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, in respect of items 3 to 5 of the Notice as set out above, is annexed hereto and forms part of the Notice.
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. The Register of Members and the Share Transfer Books of the Company will be closed from Thursday, 25th September, 2014 to Tuesday, 30th September, 2014 (both days inclusive) for the purpose of Annual General Meeting of the Company.

11. 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, 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. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

The instructions for members for voting electronically are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- (iv) Now enter your User ID
 1. For CDSL: 16 digits beneficiary ID,
 2. For NSDL: 8 Character DP ID followed by 8 digits Client ID,
 3. 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 casted your vote earlier for any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:
- (viii) After entering these details appropriately, click on "SUBMIT" tab.

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 last 8 digits of the demat account/folio number in the PAN field. ● In case the folio 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 folio number 100 then enter RA00000100 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 number of shares held by you as on the cut off date in the Dividend Bank details field.

- (ix) Members holding shares in physical form will then reach directly 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 relevant EVSN of 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 changed password then enter the User ID and Captcha Code, click on forgot password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to link the account(s) 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.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sr. no. (i) to sr. no. (xvii) above to cast vote.
 - (B) The voting period begins on Friday, 19th September, 2014 at 9.00 a.m. (IST) and ends on Sunday, 21st September, 2014 at 6.00 p.m. (IST). 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) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (C) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
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 within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer Report of the votes cast in favour or against, if any, forthwith to the Chairman.
 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 BSE Ltd.

BY ORDER OF THE BOARD,

Place: Manipal
Date: 13th August, 2014

S R GOWDA
Whole Time Director
DIN: 00046329

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

ITEM NO. 3

The Board of Directors of the Company had appointed, pursuant to Section 161(1) of the Companies Act, 2013 (hereinafter referred to as the "Act") and Article 139 of Articles of Association of the Company, Sri Sevagoor Srinivas Kamath as an Additional Director of the Company with effect from 3rd July, 2014 and he holds office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Sri Sevagoor Srinivas Kamath for the office of Director of the Company.

Sri Sevagoor Srinivas Kamath is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. As per the said Section 149, an Independent Director can hold office for a term upto 5 (five) consecutive years on the Board and he shall not be included in the total number of Directors for retirement by rotation.

The Company has received a declaration from Sri Sevagoor Srinivas Kamath that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Sri Sevagoor Srinivas Kamath fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement and is independent of management.

Brief resume of Sri Sevagoor Srinivas Kamath as stipulated under Clause 49 of the Listing Agreement is provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his expertise and knowledge, the Board considers that his continued association would be of immense benefit to the Company and hence, it is desirable to appoint him as the Independent Director of the Company.

Copy of the draft letter for appointment of Sri Sevagoor Srinivas Kamath setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during normal business hours on any working day.

Apart from Sri Sevagoor Srinivas Kamath, 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. 3 of the Notice for approval by the shareholders.

ITEM NO. 4

Sri K B Shetty is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in July, 2006 and has continued to be associated with the Company since then.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for appointment of Independent Directors by a Listed Company. Further, Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an Independent Director on its Board. As per the said Section 149, an Independent Director can hold office for a term upto 5 (five) consecutive years on the Board and he shall not be included in the total number of Directors for retirement by rotation.

It is proposed to appoint Mr. K B Shetty as an Independent Director under Clause 49 of the Listing Agreement and Section 149 of the Act to hold office for a term upto 31st March, 2019.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Sri K B Shetty for the office of Independent Director of the Company.

Sri K B Shetty is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received a declaration from Sri K B Shetty that he meets the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Sri K B Shetty fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement and is independent of management.

Brief resume of Sri K B Shetty as stipulated under Clause 49 of the Listing Agreement is provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his expertise and knowledge, the Board considers that his continued association would be of immense benefit to the Company and hence, it is desirable to appoint him as the Independent Director of the Company.

Copy of the draft letter for appointment of Sri K B Shetty setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during normal business hours on any working day.

Apart from Sri K B Shetty, 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 shareholdings.

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

ITEM NO. 5

Sri Subbarame Gowda is an Executive Director of the Company who joined the Board of Directors of the Company (the 'Board') in October, 2005. Further, he was appointed as an Whole Time Director with effect from 10th December, 2011, for a period of 3 years and his current term expires on 9th December, 2014.

Sri Subbarame Gowda, an Engineering Graduate from Mysore University has ample experience in the financial field. He has held Directorships in various other Manipal Group Companies. He is associated with the group for more than three decades and has significantly contributed towards the success of these companies.

In view of the vast knowledge and expertise of Sri Subbarame Gowda, the Board is of the opinion that it would be in the best interests of the Company to continue availing his valuable services.

Accordingly, the Board of Directors of the Company at its meeting held on 13th August, 2014 has, subject to the approval of members, re-appointed Sri Subbarame Gowda as Whole Time Director, for a further period of 3 years from the expiry of his present term.



Broad particulars of the terms of re-appointment and remuneration payable to Sri Subbarama Gowda are as under:

- a. **Salary:** Rs.25,000/- p.m. with suitable annual increment as decided by the Board.
- b. **Conveyance Allowance:** Rs.5000/- p.m.
- c. **Medical Reimbursement:** For self and his family members, the total cost of which shall not exceed one month's salary in a year.
- d. **Leave Travel Concession:** Once in 2 years in accordance with Company's rules.
- e. **Leave:** On full pay and allowances in accordance with the rules of the Company.
- f. **Personal Accident Insurance:** Insurance coverage upto an extent of Rs.6 lakhs only.
- g. **Provident Fund:** Company's contribution to PF as per the applicable rules and norms.
- h. **Leave Encashment:** Encashment as per the rules of the Company
- i. **Car Facility:** Provision of a car with a Driver for Company's business purposes.
- j. **Telephone:** Provision of telephone at residence for business purposes.
- k. **Variation:** The terms and conditions as set out in the above resolution may be altered or varied from time to time by the Board with mutual consent of Sri Subbarama Gowda provided it does not exceed the limits as specified in Schedule IV of the Companies Act, 2013.
- l. **Notice:** The appointment may be terminated by either party by giving 3 months notice to the other Party.

Sri Subbarama Gowda is attaining the age of 70 years on 11th December, 2014. Hence, pursuant to Section 196(3) of the Companies Act, 2013, his appointment shall require approval of members by way of Special Resolution.

Apart from Sri Subbarama Gowda, 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 Special Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

BY ORDER OF THE BOARD,

Place: Manipal
Date: 13th August, 2014

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 Shareregistry (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

TO THE MEMBERS,

Your Directors have pleasure in presenting the 70th Annual Report and Audited Statements of Account for the year ended 31st March, 2014.

FINANCIAL RESULTS

(₹ In Lakhs)

	Year ended March 31, 2014	Previous Year March 31, 2013
Profit before Interest, Depreciation, Provision for Taxation	184.22	368.10
Less: Interest	293.05	412.85
Depreciation	22.24	27.46
	-----	-----
	315.29	440.31
	-----	-----
	(131.07)	(72.21)
Less: Provision for Taxation	0.00	0.00
	-----	-----
Net Profit after Tax	(131.07)	(72.21)
	-----	-----

During the year under review the Company incurred a loss of ₹ 131.07 lacs as compare to loss of ₹ 72.21 lacs during the previous year. Total revenue from the operation during the year was ₹ 137.17 lacs as against ₹ 275.83 lacs in the previous year. Company has taken steps to reduce the expenditure. Total expenditure was ₹ 428.62 lacs for the current year as against ₹ 594.71 lacs in the previous year. Even though our obligations towards deposits and bond holders under the Scheme of Restructure sanctioned by the Hon'ble High Court of Karnataka could not be met on the schedule dates as per the Scheme, we have paid ₹ 1507.98 lacs through Hardship and instalment payments during the year.

SCHEME OF ARRANGEMENT

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, till 31.03.2014, the Company has repaid public investments aggregating to ₹ 12863.91 Lakhs through installment payments. The details are given below:

(₹ in Lacs)

Category	Amount Payable	Amount Paid till 31.03.2014
Pri.Amount Rs.5,000/- & less	1258.70	1175.39
Instalments		
I	3448.10	3448.10
II	4503.00	4503.00
III	3436.08	3436.08
IV	2372.66	300.56
V	4577.80	0.78
TOTAL	19596.34	12863.91

PERSONNEL

The Staff strength has been reduced considerably and the minimum staff members required for functioning of the Company are retained. The austerity measures taken by the management reducing its expenses helped a lot.

None of the employees of the Company is in receipt of remuneration exceeding the limits as specified in Section 217(2A) of the Companies Act, 1956.

SUBSIDIARY COMPANIES

As required under Section 212 of the Companies Act, 1956 the Audited Statement of Accounts along with reports of the Board of Directors and Auditors of Subsidiary Companies namely Maharashtra Apex Asset Management Company Ltd, Crimson Estates & Properties Pvt. Ltd. and El'Dorado Investments Pvt. Ltd. are annexed.

DIRECTORS

Sri V R Hebbar (DIN-05145164) resigned as a director of the Company with effect from 6th June, 2014. The Board placed on records its deep appreciations for the valuable contribution made by Sri V R Hebbar.

Sri K B Shetty (DIN-01451944) Independent Director of the Company was liable to retire by rotation in terms of provisions of the Companies Act, 1956. However as per provisions of the Companies Act, 2013 the Independent Director is required to be appointed by Shareholders and for a term up to five consecutive years and he shall not liable to retire by rotation. Accordingly it is proposed to appoint him as Independent Director for a term upto 31st March, 2019.

The Board has appointed Sri Sevagoor Srinivas Kamath, (DIN-01039656) as an Additional Director w e f 3rd July, 2014. He holds office up to the ensuing Annual General Meeting of the Company. The Company has received a notice u/s 160 of the Companies Act, 2013 from a Shareholder of the Company proposing the candidature of Sri Sevagoor Srinivas Kamath for the office of an Independent Director. Accordingly it is proposed to appoint him as Independent Director for a term upto 31st March, 2019

The term of office of Sri S R Gowda (DIN-00046329) the Whole Time Director ends on 9th December, 2014 and the Board has re-appointed him as the Whole Time Director for a further period of 3 years and the same will be considered for approval of the members in the ensuing meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- I. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- II. Appropriate accounting policies have been selected 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 as on 31st March, 2014 and of the loss of the Company for the year ended as on that date.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The annual accounts have been prepared on a going concern basis.

REPLY TO AUDITORS' 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 in nature. So no provision was considered for diminishing value of investments.

With regard to Auditors' observation in point Nos A (ii) to (v), B, C, D, E, F, G (a) explanations given in the relevant notes No.12 3.1 to 3.7 of Schedule of the Accounts are self-explanatory.

With regard to point No. H: The reconciliation is complete but pending verification.

AUDITORS

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s Rao & Swami, Chartered Accountants, Udupi, Statutory Auditors, are eligible for re-appointment as Auditors for a maximum period of three years. Members are requested to appoint for a term of 3 consecutive years from conclusion of this Annual General Meeting till conclusion of fourth Annual General Meeting considering the ensuing AGM as first and authorized the Board of Directors to fix their remuneration.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE

As your Company is not engaged in manufacturing activities, there is no information to submit in respect of the above.

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.

CASH FLOW STATEMENT

In conformity with Clause 32 of the Listing Agreement with Stock Exchanges the Cash Flow Statement for the period ended 31st March, 2014 is annexed herewith.

ACKNOWLEDGEMENTS

Your 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.

For and On behalf of the Board,

Place: Manipal
Date: August 13, 2014

K B Shetty S R Gowda
Director Whole Time Director

CORPORATE GOVERNANCE REPORT- 2014

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 of Board:

The Board of Directors of the Company consists of Executive Director and Non-Executive Directors as on 31st March, 2014. 75% 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, 2014 is given in the table below.

Four Board Meetings were held during the period 2013-14. These meetings were held on 30th May, 2013, 8th August, 2013, 8th November, 2013 and 3rd February, 2014. The last AGM was held on 30th September, 2013.

The details are follows:

Sl. No	Name of the Directors	Category of Directorship	No of Board Meetings Attended	Attendance at last AGM	No of other Directorship	No. of Committee positions held in Companies	
						Member	Chairman
1.	Sri G A Rego	Non-Executive Director Independent Director	4	No	13	1	1
2.	Sri S R Gowda	Executive Director	4	Yes	22	2	0
3.	Sri K B Shetty	Non-Executive Director Independent Director	3	Yes	Nil	1	1
4.	Sri V R Hebbar	Non-Executive Director Independent Director	4	No	Nil	0	0

3. AUDIT COMMITTEE:

Broad Terms of Reference:

Audit Committee acts as a link between Statutory Auditors and the Board of Directors. The primary objective of the Audit Committee is to provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures. The composition, procedures, powers, role and functions of Audit Committee constituted by the Company comply with the requirements of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Composition, Meetings & Attendance:

The Audit Committee is duly constituted as per the provisions of Clause 49 of the Listing Agreement and Companies Act, 1956. 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 : Member

Sri S R Gowda: Member

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

It met four times during the period 2013-2014 on 30th May, 2013, 8th August, 2013, 18th November, 2013 and 3rd February, 2014.

Attendance of the Directors in the Audit Committee Meeting:

Date of Meeting	No. of Members Present
30 th May, 2013	3
8 th August, 2013	2
8 th November, 2013	3
3 rd February, 2014	3

4. REMUNERATION COMMITTEE:

The Non-Executive Directors stopped drawing any remuneration by way of sitting fees for attending Board/ Committee Meetings. Therefore, Remuneration Committee has not been formed.

Details of remuneration paid to the Whole-Time Director and Non-Executive Directors during the period from 1.4.2013 to 31.3.2014 is given here below:

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

5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

The Committee comprising of 3 members, approves transfers, transmission, issue of duplicate shares and review and redressal of Shareholders grievances/complaints on matters relating to transfer of shares, non-receipt of Balance Sheet, etc. The Committee met 27 times during the year under report.

The composition of Shareholders/Investors' Grievance 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	27
2.	Sri S R Gowda	Executive	27
3.	Sri K B Shetty	Non-Executive-Independent	2

Sri G A Rego is heading the Committee and Sri J. M. Panday, Company Secretary acts as 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

6. DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AS PER CLAUSE 49 OF LISTING AGREEMENT:

Name of the Director	Sri K B Shetty	Sri S R Gowda	Sri S S Kamath
Date of Birth	01.10.1942	11.12.1944	18.07.1956
Date of Appointment	10.07.2006	27.10.2005	03.07.2014
Qualification	FCA, LLB	BE	B.Com
Experience & Expertise	3years experience in Banking Industry. Presently Practicing Chartered Accountant.	35 years experience in Financial Sector. as well as in administration	35 years experience in Business Promotion and Marketing.
List of Companies In Which Outside Directorship Held	N A	Mridula Labour And Management Services (P) Ltd Maharashtra Apex Asst Management Co.Ltd Manipal Medi Records (P) Ltd Brooklyn Hills Properties (P) Ltd Manipal Home Finance Ltd Canara Nidhi Ltd Manipal Gold Co.Ltd Canara Steel Ltd Eldorado Share Services (P) Ltd. Manipal Chit Fund (P) Ltd. Eldorado Investment Company (P) Ltd. Crimson Estate & Properties (P) Ltd. Dagny Investments (P) Ltd. R G Trading & Marketing Services (P) Ltd. Gurudev Trading & Services (P) Ltd. Jayamahal Trade & Investments (P) Ltd. Anil Sunil Trade & Investment (P) Ltd. Rajmahal Trade & Investment (P) Ltd. Rakshith Labour & Mgt Services (P) Ltd. Manipal Infrastructure Ltd. Infant Trading & Services (P) Ltd. Metropolis Builders (P) Ltd	Searock Shipping Company (P) Ltd. Mangala Investments Ltd. Rajmahal Hotels Ltd. Jaymahal Trade & Investments (P) Ltd Anil Sunil Trade & Investment (P) Ltd Canara Steel Ltd. General Investment And Commercial Corporation of Indian Ltd. Rajmahal Trade & Investments (P) Ltd.
Chairman/Member of The Committee	Maha Rashtra Apex Corporation Limited Chairman- Audit Committee, Member-Shareholders' Grievance Committee	Maha Rashtra Apex Corporation Limited Member- Audit Committee, Member-Shareholders' Grievance Committee	Maha Rashtra Apex Corporation Limited Member- Audit Committee, Member-Shareholders' Grievance Committee
No. of shares held prior to the date of appointment/re-appointment	Nil	800	400

7. GENERAL MEETINGS:

The 67th, 68th and 69th Annual General Meetings were held at Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli Camp Road, Yashwantpur, Bangalore the details of which are given below:

AGM NO.	DATE	TIME	SPECIAL RESOLUTION PASSED
67	26.9.2011	11.00 a m	Nil
68	28.9.2012	3.00 p m	Nil
69	30.9.2013	11.00 a m	Nil

All the resolutions as set out in the respective notices were passed by the Share holders. No special resolution was required to be passed through Postal Ballot in the last year and no special resolution is proposed to be passed through postal ballot at the ensuing AGM.

8. DISCLOSURES:

- a. 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.
- b. The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authority on matters relating to capital markets during the last three years.
- c. The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.\

9. 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 (Business Standard) & Regional Newspaper (Kannada Prabha) as per the Listing Agreement.
- b) The financial results are 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.

10. 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:

Total revenue from the operation during the year was ₹ 137.17 lakhs

Repayment of Deposit/Bond:

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, till 31.03.2014, the Company has repaid public investments aggregating to ₹ 12863.91 Lakhs till 31.3.2014 through installment payments. The details are given below:

(₹ in Lacs)

Category	Amount Payable	Amount Paid till 31.03.2014
Pri.Amount Rs.5,000/- & less	1258.70	1175.39
Instalments		
I	3448.10	3448.10
II	4503.00	4503.00
III	3436.08	3436.08
IV	2372.66	300.56
V	4577.80	0.78
TOTAL	19596.34	12863.91

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 37 staff members working in the entire organisation as on 31.3.2014.

11. GENERAL SHAREHOLDERS INFORMATION:

a) Annual General Meeting:	70 th Annual General Meeting
Date:	30.09.2014
Time:	11.00 A M
Venue:	Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahaali Camp Road, Yashwantpur, Bangalore – 560 022
b) Financial Year:	1 st April to 31 st March.
c) Date of Book-Closure:	25.9.2014 to 30.9.2014 (both days inclusive) for the purpose of Annual General Meeting of the Company.
d) Dividend:	The Board of Directors have not recommended any dividend on Equity Shares for the period 2013-14.
e) Registered Office:	3 rd 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 2013-14 has been paid to both of the Stock Exchanges and custodial fees paid for the year 2013-14 to NSDL and CDSL.
g) Stock Code	523384
BSE:	MAHAPEXLTD
NSE:	
h) Demat ISIN Number of Equity Shares of the Company:	INE843B01013 As on 31 st March, 2014, 86,58,912 Equity Shares forming 61.19% Share Capital of the Company stands Dematerialised.

Share Price Data:

Market price data of the Company's equity Shares in Bombay Stock Exchange Ltd for the period from 1st April, 2013 to 31st March, 2014 is as below:

Month	High	Low
April, 2013	9.31	7.35
May, 2013	10.85	8.58
June, 2013	9.00	9.00
July, 2013	8.56	7.74
August, 2013	8.82	7.34
September, 2013	13.86	7.34
October, 2013	14.60	8.79
November, 2013	10.00	8.32
December, 2013	10.00	8.73
January, 2014	8.59	5.77
February, 2014	7.33	5.75
March, 2014	8.85	6.25

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.

Distribution of Equity Shareholding as on 31st March, 2014:

SHARE HOLDING OF NOMINAL VALUE OF (1)	NUMBER (2)	% TO TOTAL (3)	IN ₹. (4)	% TO TOTAL (5)
UPTO 5,000	9732	84.80	24020200	16.98
5,001 - 10,000	1183	10.31	8438120	5.96
10,001 - 20,000	375	3.27	5222290	3.69
20,001 - 30,000	74	0.64	1852610	1.31
30,001 - 40,000	33	0.29	1132880	0.80
40,001 - 50,000	14	0.12	623950	0.44
50,001 – 1,00,000	31	0.27	2284070	1.61
1,00,001 AND ABOVE	35	0.30	97926880	69.21
TOTAL	11477	100.00	141501000	100.00

Shareholding Pattern as on 31st March, 2014:

Category	No. of Shares Held	Percentage of Shareholding
A. Directors, Relatives Friends and associates	87,75,804	62.02
B. Institutional Investors	-	-
C. Mutual Funds and UTI	-	-
D. Banks	1,998	0.01
E. FII's	-	-
F. Private Corporate Bodies	1,90,303	1.34
G. Indian Public	51,70,850	36.55
H. NRIs/OCBs	11,145	0.08
I. Any other(Please specify)	-	-
GRAND TOTAL	1,41,50,100	100.00

Plant Locations: Nil

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, 2014.

Place: Manipal
Date: August 13, 2014

S R Gowda
Whole Time Director

WHOLE TIME DIRECTOR/CFO CERTIFICATION

To,
The Board of Directors,
MAHARASHTRA APEX CORPORATION LTD.
Bangalore

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we 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 we 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

Place: Manipal
Date: August, 13, 2014



AUDITORS' CERTIFICATE

We have examined the compliance of corporate governance by Maha Rashtra Apex Corporation Ltd (the Company) for the year ended 31st March, 2014, 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

Place: Udupi
Date: August 13, 2014

PV SHENOY
Partner
Membership No.020205

INDEPENDENT AUDITORS' REPORT

To the Members of MAHA RASHTRA APEX CORPORATION LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of MAHA RASHTRA APEX CORPORATION LIMITED which comprise the Balance Sheet as at March 31, 2014, and 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:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with general Circular 15/2013 dated 13th September of the Ministry of Corporate affairs, in respect of section 143 of companies act 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. 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 and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness on the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

A) In terms of direction issued by RBI, we state that:

- i) The Company has not obtained Credit Rating
- ii) The Capital Adequacy Ratio is negative.
- iii) There has been some delay in submission of Statements to RBI.
- iv) In view of the negative net worth, all lending's and investments are in excess of Credit Concentration Limit stipulated by the Reserve Bank of India.
- v) The company has en-cashed all the approved securities and utilized for repayment of deposits.

B) Though the net-worth of the Company is negative, it has prepared the accounts on "going concern" basis on the presumption that deficit in operations will be effectively monitored (refer Note No.3.6.).

- C) By its order dated 13th June, 2002, RBI has cancelled the Certificate of Registration granted to the Company to act as Non-Banking Financial Company.
- D) Accrued interest on deposits and bonds were provided upto 31.3.2002 only as per the Scheme of Restructure of the debts of the Company as sanctioned by the Hon'ble High Court of Karnataka (refer Note 3.1(a)).
- E) The company has stopped repayment of deposits/bonds on maturity dates, till the sanction of Scheme of Restructure by the Hon'ble High Court of Karnataka on 8th October, 2004. Now the company has started repayment under the sanctioned Scheme and the short fall in repayment amounted to ₹6732.43 lakhs (refer Note No 3.1 and 3.2). All the instalments of repayment of deposits/bonds are as per scheme sanctioned by High Court of Karnataka due for payment on 15th September 2009 and 15th June 2009 (refer Note No3.1 (e) and Note No 3.1(f)).
- F) Though the management is of the view that it will be able to monitor effectively the deficit in operation, we are unable to comment on the ultimate reliability of company's assets.
- G) a. Provision has not been made as required under RBI Prudential Norms since 1.4.2000. Had this been provided for, the net assets would have been less and the accumulated loss would have been more by the provision required ₹2816.90 Lakhs. (inclusive of Short provision for diminution in the value of investments ₹1,92,862/-)(Refer Note No.3.7).
- H) Two current accounts with scheduled Bank shows a overdrawn balance of ₹ 2,69,39,173/- (Cr) under Short term Borrowings from Banks grouped under Current Liabilities. The company has submitted a reconciliation statement. But we are unable to comment on the accuracy of the same (Refer Note No 3.16.)

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 matters described in the Basis for Qualified Opinion paragraph the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) 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
 - c) 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.



- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with general circular 15/2013 dated 13th September 2013 issued by the ministry of corporate affairs in respect of Section 133 of the companies act 2013.; *except Note No. 3.14 and 3.15 creation of Deferred Tax Asset and regarding creation of Capital Redemption Reserve for redemption of 14% Cumulative Preference Shares, and.*
- e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Based on the written communication received from the company, it had complied with the provisions of section 185 of the Companies act 2013.
- g) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Udupi
Date: May 30, 2014

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

P V Shenoy
(Partner)
Membership No. : 020205



The Annexure referred to in paragraph 1 of the Our Report of even date to the members of MAHA RASHTRA APEX CORPORATION LIMITED on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (a) As explained to us, fixed assets have been physically verified by the management once in a year; no material discrepancies were noticed on such verification.
 - (b) We are informed that assets on lease are not physically verified as most of the lease accounts are under legal proceedings and the value of these assets are not significant.
2. The Company has informed us that stock on hire could not be physically verified as most of the hire purchase accounts are irregular and legal proceeding are in progress for recovery of dues.
3.
 - a) As per the explanations furnished by the Management, during the year the Company has not granted any loans, secured or unsecured to Companies, Firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
 - b) We are informed that certain Companies to which loans were granted earlier are now having common directors with the lending company on account of change of directors subsequently. In the opinion of the management, section 297 and 299 are not applicable to these companies as per sub-section (6) of section 299 of the Companies Act, 1956.
 - c) Though the Company is persuading the borrowers to repay the loans, we are of the opinion that more efforts are required to be put for the recovery of these loans.
 - d) As per the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of assets. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. We are informed by the Management that Register required to be maintained u/s 301 is properly maintained and during the year Company has not entered into any transactions which are required to be entered in the Register maintained under section 301, as Section 297 and 299 are not applicable to transactions between two companies covered under sub-section 6 of section 299 of the Companies Act, 1956. Though the company had stopped repayment of deposits/debentures matured after 15th April, 2002, in view of the Scheme of Restructure filed before the Hon'ble High Court of Karnataka, it has started the repayment of deposits/bonds as under the Scheme sanctioned by the Hon'ble High Court of Karnataka as referred in Note No.3.1. and 3.2. All the instalment of repayment of Bonds/Deposits as per scheme sanctioned by High Court of Karnataka due for payment on 15th September and 15th June 2009 (refer Note No3.1 and 3.2). The case filed by depositors before National Consumer Forum, New Delhi is pending. We are informed by the management that there are no orders by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or Tribunal.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. We are informed that the Company has discontinued the Internal Audit system on account of discontinuance of its regular business from 15th April, 2002.
8. The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
9.
 - a. According to the information and explanations given to us, the Company is generally regular in depositing with appropriate



authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Wealth Tax, Service Tax and other statutory dues applicable to it and there are no arrears of outstanding statutory dues for a period of more than six months from the date they became payable.

b. According to the records of the Company, disputed Income-Tax has been adjusted from the refund due and the Sales-Tax dues which has not been deposited on account of dispute are given below:

Name of the Statute	Nature of Period Arrears	Forum where dispute is pending	(₹ in lakhs)
			Amount
Andhra Pradesh Sales Tax Act	Sales Tax 95-96 96-97	Sales Tax Appellate Tribunal	17.54

10. The net worth of the Company is completely eroded. The Company has incurred cash loss of ₹ 119.44 lakhs during the year (previous year the company has incurred cash loss. of ₹ 56.08 lakhs).
11. As per the information given by the company, there are no defaults in repayment of dues to financial institutions or banks. In respect of matured debentures and interest accrued there on upto 31.3.2002, company is in the process of payment to debenture-holders as per the Scheme of Compromise and Arrangement sanctioned by the Hon'ble High Court of Karnataka on 8th October, 2004 (refer Note No.3.1 and 3.2).
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. The Company is not dealing or trading in shares, securities and other investments. The shares, debentures and other securities held by the Company as long term investments are held in its own name except to the extent of exemption granted under section 49 of the Companies Act, 1956 .
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. During the year the Company has not taken term loans from banks or financial institutions and there are no outstanding loans as on 31st March, 2014.
17. During the year the Company has not raised any short term funds. The Company is in the process of repaying the overdue long term funds, (all are raised before 31.3.2002) as per the Scheme of Arrangement sanctioned by the High Court of Karnataka (Refer Note No.3.2).
18. The Company has not made any allotment of shares during the year.
19. As per the information and explanations given to us the Company has created charge in respect of debentures issued. As per the Scheme of Restructure sanctioned by the High Court, the unpaid deposits also are secured by charge on company's financial assets (Refer Note No.3.1).
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

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

P V Shenoy
(Partner)
Membership No. : 020205

Place: Udupi
Date: May 30, 2014



₹ in lakhs

BALANCE SHEET AS AT 31st MARCH, 2014			
Particulars	Note No.	Current Year 31st March 2014	Previous Year 31st March 2013
I EQUITY AND LIABILITIES			
1 Shareholders Funds			
a) Share Capital	1	1442.74	1442.70
b) Reserves & Surplus	2	(8824.48)	(8693.42)
2 Non-Current Liabilities			
a) Other Long Term Liabilities	3(a)	632.54	620.04
b) Long-Term Provisions	3(b)	1262.28	1266.95
3 Current Liabilities			
a) Short term Borrowing	4(a)	269.39	178.80
b) Trade Payables	4(b)	10.98	14.76
c) Other Current Liabilities	4(c)	12674.69	12950.23
TOTAL		7468.14	7780.06
II ASSETS			
Non Current Assets			
1 a) Fixed Assets			
Tangible Assets	5(a)	147.48	158.59
(b) Non Current Investments	5(b)	2598.47	2593.60
(c) Long Term Loans & Advances	5(c)	2235.89	2331.62
(d) Other Non Current Assets	5(d)	2.20	2.20
2 Current Assets			
(a) Trade Receivables	6(a)	902.48	962.34
(b) Cash and Cash Equivalents	6(b)	949.90	1106.54
(c) Other Current Assets	6(c)	631.72	625.17
TOTAL		7468.14	7780.06
Significant Accounting Policies and Notes to Accounts	12		

The Notes are an integral part of these financial statements

S R GOWDA
Whole Time Director

G A Rego
Director

Bangalore
May 30, 2014

K B Shetty
Director

J M Panday
Company Secretary

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

P V SHENOY
Partner
Membership No. 020205
Udupi
May 30, 2014



₹ in lakhs

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2014				
	Particulars	Note No.	Current Year 31st March 2014	Previous Year 31st March 2013
I.	Revenue from Operations	7	31.77	36.19
II.	Other Income	8	106.92	448.38
III.	Total Revenue (I+II)		138.69	484.57
IV.	Expenses:			
	Employee Benefits Expense	9(a)	55.93	71.61
	Finance Cost	9(b)	293.05	412.85
	Depreciation and amortisation expense	9(c)	22.24	27.46
	Other expenses	9(d)	57.40	82.79
	Total Expenses		428.62	594.71
V.	Profit before exceptional and extraordinary items and tax (III-IV)		(289.93)	(110.14)
VI.	Exceptional Items --	10	(71.20)	(228.96)
VII.	Profit before extraordinary items and tax (V-VI)		(361.13)	(339.10)
VIII.	Extraordinary Items	11	230.06	266.89
IX	Profit before Tax (VII-VIII)		(131.07)	(72.21)
X	Tax Expense			
	(1) Current Tax		0.00	0.00
	(2) Deferred Tax		0.00	0.00
XI	Profit (Loss) for the period from continuing operations (IX-X)		(131.07)	(72.21)
XII.	Profit (Loss) for the period (IX+XI)		(131.07)	(72.21)
	Earnings per equity share:			
	(1) Basic		(0.93)	(0.51)
	(2) Diluted		(0.93)	(0.51)
	Significant Accounting Policies and Notes to Accounts	12		

The Notes are an integral part of these financial statements

S R GOWDA
Whole Time Director

G A Rego
Director

Bangalore
May 30, 2014

K B Shetty
Director

J M Panday
Company Secretary

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

P V SHENOY
Partner
Membership No. 020205
Udupi
May 30, 2014



NOTES FORMING PART OF BALANCE SHEET AS ON 31st March 2014

₹ in lakhs

PARTICULARS	Current Year 31 March 2014		Previous Year 31 March 2013	
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)	<u>2000.00</u>	4000.00	<u>2000.00</u>	4000.00
Issued :				
14150100 Equity Shares of ₹10/- each 1763500 17.50% Redeemable Cumulative Preference shares of ₹10/- each	1415.01 176.35		1415.01 176.35	
6236500 14% Redeemable Cumulative Preference Shares of ₹10/- each	<u>623.65</u>	2215.01	<u>623.65</u>	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 Others	 Nil 3.89	 1411.12 31.62	 Nil 3.93	 1411.08 31.62
316200 14% Redeemable Cumulative Preference shares of ₹ 10/- each				
TOTAL		1442.74		1442.70

- (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

Equity Shares:	As at 31-March-2014		As at 31-March-2013	
	Number of shares	Amount	Number of shares	Amount
Balance at the Beginning of the year	14150100	1411.12	14150100	1411.08
Add: Shares Issued during the year	Nil	Nil	Nil	Nil
Balance at the end of the year	14150100	1411.12	14150100	1411.08
Preference Shares				
17.5% Redemable Cumulative Preference Shares				
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
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	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 shareholders 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

Particulars	As at 31-March-2014		As at 31-March-2013	
	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%	1331524	9.41%
Preference Shares				
General Investment & Commercial Corporation Ltd.	20100	6.36%	20100	6.36%
Note No. 2				
RESERVES & SURPLUS				
Capital Reserve		1.03		1.03
Capital Redemption Reserve [Redemption of 17.5% RCP Shares]		176.35		176.35
Securities Premium Reserve		997.49		997.48
General Reserve		218.61		218.61
Special Reserve [Pursuant to RBI (Amendment) Act, 1997]		159.52		159.52
Surplus Statement of Profit & Loss				
Profit/Loss from Previous Year	(10246.41)		(10174.20)	
Profit/Loss for the Current Year	(131.07)	(10377.48)	(72.21)	(10246.41)
TOTAL		(8824.48)		(8693.42)
2 NON-CURRENT LIABILITIES				
Note No. 3(a)				
OTHER LONG TERM LIABILITIES				
Amount due to Subsidiaries		173.61		159.96
Lease Security Deposits		458.93		460.08
TOTAL		632.54		620.04
Note No. 3(b)				
LONG TERM PROVISIONS				
(i) Provision for employees benefits				
For Gratuity		0.00		4.67
(ii) Others				
For Non-performing Assets		1262.28		1262.28
TOTAL		1262.28		1266.95
3 CURRENT LIABILITIES				
Note No. 4(a)				
Short term Borrowings				
Current account overdrawn Balance		269.39		178.80
TOTAL		269.39		178.80



Particulars	As at 31-March-2014		As at 31-March-2013	
Note No. 4(b)				
TRADE PAYABLES		10.98		14.76
H.P and other Creditors				
TOTAL		10.98		14.76
Note No. 4(c)				
<u>OTHER CURRENT LIABILITIES</u>				
Unpaid Creditors being outstanding Bonds/Deposits maturing after 31.03.2002 and inter corporate deposit (Secured by first charge on Co's financial assets book debts & receivables)		6614.55		8120.71
Unsecured:				
Inter Corporate Deposits		561.81		561.81
Matured Deposit/Bonds with Interest		117.89		119.70
Delayed period interest on deposit		2488.34		2321.02
Rent Security Deposit		10.15		81.78
TDS for Payments made 2013-2014		0.37		5.10
Liabilities for Expenses		12.50		15.60
Cheque issued for repayment of Deposit/Bonds pending realisation		200.70		215.20
EMD/Other Advances		2662.46		1500.51
Collection and other Accounts		0.70		3.58
Other Payables		5.22		5.22
TOTAL		12674.69		12950.23
*(Refer to Other Disclosure B(3)				



Non Current Assets
a) Fixed Assets

₹ in lakhs												
(i) TANJIBLE ASSETS												
	GROSS BLOCK [At cost]				DEPRECIATION				Lease Terminal Adjustment		NET BLOCK	
	As on 01-Apr.13	Additions	Deductions	As on 31-Mar.14	Upto 31-Mar.13	For the Year	On Assets Sold	Upto 31-Mar.14	For the Year	Previous Year	As on 31-Mar.14	As on 31-Mar.13
COMPANY ASSETS :												
Land	37.34	0.00	0.00	37.34	0.00	0.00	0.00	0.00	-	-	37.34	37.34
Buildings	131.72	0.00	0.00	131.72	48.04	1.96	0.00	50.00	-	-	81.72	83.68
Office Furniture & Equipments	370.46	0.34	17.53	353.27	343.19	5.32	17.26	331.25	-	-	22.02	27.27
Motor Cars & Other Vehicles	10.54	0.00	3.59	6.95	7.78	0.49	3.59	4.68	-	-	2.27	2.76
TOTAL	550.06	0.34	21.12	529.28	399.01	7.77	20.85	385.93			143.35	151.05
ASSETS ON LEASE :												
Plant & Machinery	828.15	0.00	15.18	812.97	767.31	14.47	10.92	770.86	37.99	53.31	4.12	7.53
Motor Vehicles	5.11	0.00	0.00	5.11	5.10	0.00	0.00	5.10	-	-	0.01	0.01
Gas Cylinders	3.20	0.00	0.00	3.20	3.20	0.00	0.00	3.20	-	-	0.00	0.00
Furniture	15.75	0.00	0.00	15.75	15.75	0.00	0.00	15.75	-	-	0.00	0.00
TOTAL	852.21	0.00	15.18	837.03	791.36	14.47	10.92	794.91	37.99	53.31	4.13	7.54
GRAND TOTAL	1402.27	0.34	36.30	1366.31	1190.37	22.24	31.77	1180.84	37.99	53.31	147.48	158.59



Particulars	As at 31-March-2014		As at 31-March-2013	
Note No. 5(b)				
<u>NON CURRENT INVESTMENTS</u>				
i) Investment in Property				
Investment in Land in satisfaction of debt		5.01		0.14
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	<u>6.84</u>	12.38	<u>6.84</u>	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	
36368 Rajmahal Hotels Ltd. Shares of ₹10/- each	0.76		0.76	
58436 Mangala Investments Ltd. Shares of ₹10/- each	1.50		1.50	
200000 Manipal Motors (P) Ltd. Shares of ₹10/- each	20.00		20.00	
1395000 Manipal Home Finance Ltd. Shares of ₹10/- each	139.77		139.77	
33990 Manipal Springs Ltd. Shares of ₹100/- each	34.16		34.16	
4000 MPL Enterprises Ltd. Shares of ₹10/- each	1.65		1.65	
750000 Bhooma Automobiles (P) Ltd. shares of ₹10/- each	<u>75.00</u>		<u>75.00</u>	
		280.23		280.23
iv) Investment in Associates				
Unquoted Equity Shares				
5693020 Kurlon Limited shares of ₹10/- each		1726.06		1726.06
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
vi) Investment in Government or Trust Securities				
6 year National Savings Certificate at cost		0.14		0.14
83800 Units of UTI - Masterplus - 91 (Div) of ₹10/- each	14.41		14.41	
6500 Units of UTI - Mastershare (Div) of ₹10/- each	<u>0.92</u>	15.33	<u>0.92</u>	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 (Total Market Value of Shares, Debentures, Trustee Securities & Mutual Funds ₹ 145.46 lakhs) (Previous Year ₹ 110.36 lakhs)		8.43		8.43
Sub Total		2814.02		2809.15
Less: Demunition In the value of Investment		215.55		215.55
TOTAL		2598.47		2593.60



Particulars	As at 31-March-2014		As at 31-March-2013	
Note No. 5 (c)				
LONG TERM LOANS & ADVANCES				
i) Related Party Advances				
Amount due from Fellow Subsidiaries				
Eldorado Shares & Services Pvt Ltd.		0.92		0.10
ii) Other Loans and Advances				
CONSIDERED GOOD :				
Secured :				
Demand Loans		392.81		392.81
Advance Income-Tax and TDS - Net of Provision		316.06		307.02
Advance Fringe Benefit Tax (Net of Provision)		0.50		0.50
Other Deposits		24.36		26.71
Other Loans and Advances		86.95		86.96
Unsecured :				
Other Loans		0.56		0.14
Demand Loans		1282.94		1367.93
Bills Discounted		130.79		149.45
TOTAL		2235.89		2331.62
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 RTO and Sales Tax Authorities.)		2.20		2.20
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]		752.45		804.19
Commission and Rent Receivable				
- Due for more than 6 months	149.47		157.60	
- Less than 6 months	0.56	150.03	0.55	158.15
TOTAL		902.48		962.34
Note No. 6 (b)				
CASH AND CASH EQUIVALENTS				
Balances with Banks				
With Scheduled Banks in Current accounts		15.44		69.15
With Scheduled Banks in Deposit accounts		930.05		833.03
Cash in hand		3.66		3.09
Cheques in Hand		0.00		200.00
Stamps in hand		0.20		0.52
Stock of Stationery on hand at cost		0.55		0.75
TOTAL		949.90		1106.54



Particulars	As at 31-March-2014		As at 31-March-2013	
Note No. 6 (c)				
OTHER CURRENT ASSETS				
Interest accrued on Investments		14.57		2.91
Other Receivables.		617.15		622.26
TOTAL		631.72		625.17
Note No. 7				
REVENUE FROM OPERATIONS				
Income from Hire Purchase, Lease, Loans & Advances		22.51		27.68
Lodging Business		9.26		8.51
TOTAL		31.77		36.19
Note No. 8				
OTHER INCOME				
Int. Received on Bank Deposit [Tax Deducted at Source ₹ 8,19,597/-] (Previous Year ₹ 3,86,398-)]		79.03		41.81
Other Interest Earned		0.38		0.27
Miscellaneous Receipts		1.99		5.78
Service Charges [Tax Deducted at Source ₹ 9,795/-] (Previous Year ₹ 22,485/-)]		1.12		1.54
Income from House Property [Tax Deducted at Source - Nil -] (Previous Year ₹ 2,38,440/-)]		3.66		27.32
Dividend Income : Long Term: - Others		1.46		145.44
Income from Profession [Tax Deducted at Source ₹ 72,523/-] (Previous Year ₹ 61,500/-)]		6.15		6.15
Profit/loss on Sale of Assets		1.52		208.74
Sale of scrap papers		1.00		0.00
Lease Equalisation		10.61		11.33
TOTAL		106.92		448.38
EXPENSES				
Note No. 9 (a)				
EMPLOYEE BENEFITS EXPENSE				
Salaries & Bonus		55.30		57.58
Contribution to P F and other Funds		6.86		7.21
Gratuity		-9.15		2.03
LC Premium & Service Tax on Gratuity		0.05		0.00
Staff Welfare Cost :				
- Staff Welfare Expenses	1.80		1.88	
- Group Insurance Paid	0.42		0.66	
- Staff Medical Expenses	0.65	2.87	2.25	4.79
TOTAL		55.93		71.61



Particulars	As at 31-March-2014		As at 31-March-2013	
Note No. 9 (b) FINANCE COST				
Others		293.05		412.85
Note No. 9 (c) Depreciation and Amortisation Expenses		22.24		27.46
Note No. 9 (d) Other Expenses				
Printing and Stationery		2.66		2.86
Postage and Telephones :		5.11		6.24
Computers and other Advisory Services :		5.80		9.49
Director's Sitting Fees and Travelling Expenses		0.00		0.08
Filing Fees		0.04		0.07
General Charges :		9.84		11.72
Fire and other Insurance Premium		0.35		0.37
Newspapers, Books & Periodicals		0.23		0.24
Remuneration to Auditors :				
- Audit Fees	1.75		1.75	
- Certification Charges	0.25		0.25	
- Out of Pocket Expenses	0.27	2.27	0.24	2.24
Rent		6.68		9.05
Taxes and Licence		2.85		3.87
Service Tax		1.05		1.27
Travelling Expenditure :		4.36		4.62
Legal Expenses		5.62		11.70
Advertisement Charges		2.51		7.71
Bank Charges		0.54		2.42
Electricity Charges		2.15		2.36
Repairs to Buildings :		2.09		2.68
Other Repairs & Maintenance		0.97		0.15
Vehicle Maintenance		2.28		3.65
TOTAL		57.40		82.79
Note No. 10 Exceptional items				
(i) Exceptional Expenses: Bad Debts Written off		109.47		261.80
Less: (ii) Exceptional Income: Bad Debts Recovered		38.27		32.84
TOTAL		71.20		228.96
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		230.06		266.89
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, 2014:

1. Corporate Information:

Maha Rashtra Apex Corporation Ltd., is a public limited company domiciled in India 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, Mandatory accounting standards notified under the companies (Accounting Standards) Rules 2006, (as amended) relevant provisions of the companies act 1956 read with general circular 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs in respect of 133 of Companies Act 2013. The Financial Statement has been prepared under historical cost convention on accrual basis except in respect of revenue from hire purchase and leasing and finance activities. The accounting policies applied by the company are consistent with those used in the previous year.

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 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:

Tangible: i) Owned Assets: Assets held for own uses are stated at cost net of tax/duty credits availed, if any, less accumulated depreciation. **ii) Leased Assets:** Assets under operating lease are stated at Original Cost less accumulated depreciation, less Lease Terminal Adjustment wherever applicable.

2.3. Depreciation:

In respect of Owned and Leased Assets acquired prior to 31st March 1991, depreciation is charged under Written Down Value Method at the rates specified in Notification No GSR 756(e), dated 16th December 1993, in Schedule XIV of the Companies Act, 1956. In respect of owned assets acquired after 1st April 1991, depreciation is charged under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956. In respect of assets given on lease, depreciation is charged under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956. In case of Financial Leases, Lease Equalisation method is followed as per Guidance Note on Accounting for Leases issued by Institute of Chartered Accountants of India.

2.4. Impairment of Assets:

At each Balance Sheet date the carrying amount of assets is tested for impairment so as to determine any required impairment loss or reversal of earlier recognized impairment loss. Recoverable amount is determined, in case of an individual asset, at the higher of the net selling price and the value in use. In case of a cash generating unit, at the higher of the cash generating unit's net selling price and the value in use.

2.5. Investments:

Long Term 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 the 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. Contingent Liability:

Contingent Liabilities if any are disclosed by way of Notes on Accounts. **(Refer Other Disclosure 3.12. below)**

3. OTHER DISCLOSURE 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 up to 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, 2014 amounts to ₹ 6732.43 lakhs, (Up to Previous year ₹ 8240.41 lakhs.)
- 3.3. There are no deposits matured and remaining unpaid for a period of 7 years during the year ended 31.03.2014. 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, Jahahalli 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	... (-)166.31
Provision for Diminution in the value of Investments	... (-) 1.93
De-recognition of Income on Non-Performing Assets	... (-) 16.98
Total Short Provision	... 2816.90

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. (up to previous year ₹ 0.15 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 RTO and 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. 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 ₹ 0.52 lakhs (P.Y. ₹ 0.89 lakhs),

3.10.

- i. Other Current Liabilities includes ₹ 200.70 lakhs, being un-en-cashed DD/multi-city cheques issued for repayment of deposits/bonds in terms of the scheme.
- ii. Un en-cashed DDs amounting to ₹ 3,59,000/- issued for repayment of Non Convertible Supreme Bond Application Money.

3.11. Disclosures of Related Party Transaction:

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

a. Subsidiary:

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

b. Fellow Subsidiary

- i. El'dorado Shares & Services Pvt.Ltd.

c. Other Related Party

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

Nature of Transactions		Holding Company		Subsidiary company		Fellow Subsidiary		Transactions 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	2014	Nil	Nil	(13.67)	(173.62)	0.82	0.92	Nil	Nil	(15.18)	297.45	(28.03)	124.75
	2013	Nil	Nil	68.21	(159.95)	0.84	0.10	Nil	Nil	(54.89)	312.63	14.16	152.78
Rent Received:	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	23.84	Nil	23.84	Nil
Advance Received for Purchase of Property	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	200.00	1700.00	200.00	1700.00
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1500.00	1500.00	1500.00	1500.00
Dividend Received:	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	142.33	Nil	142.33	Nil
Settlement of Bonds / Deposits	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	312.22	312.22	312.22	312.22
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	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	
	2014	2013	2014	2013
Manipal Chit Fund Pvt., Ltd.,	0.15	(1.92)	0.47	0.32
CCI Ltd	(23.03)	(53.50)	288.37	311.40
CCI Ltd –Sundry	7.70	0.53	8.61	0.91
Maharashtra Apex Asset Management Company Ltd.,	40.23	89.22	(102.73)	(142.96)
Crimson Estate & Properties Pvt Ltd	(31.76)	(41.89)	(47.41)	(15.65)
Eldardo Investment Pvt Ltd	(22.14)	20.88	(23.48)	(1.34)
Eldardo Shares Services Pvt Ltd	0.82	0.84	0.92	0.10

2. Rent Received:

Name of the party	Transaction Value		Outstanding Value	
	2014	2013	2014	2013
Kurlon Ltd	Nil	23.84	Nil	Nil

3. Advance Received for Purchase of Property.

Name of the party	Transaction Value		Outstanding Balance	
	2014	2013	2014	2013
Kurlon Ltd	200.00	1500.00	1700.00	1500.00

4. Dividend Received:

Name of the party	Transaction Value		Outstanding Value	
	2014	2013	2014	2013
Kurlon Ltd.,	Nil	142.33	Nil	Nil

5. Settlement of Bonds/Deposits

Name of the party	Transaction Value		Outstanding Value	
	2014	2013	2014	2013
Kurlon Ltd.,	312.22	Nil	312.22	Nil

3.12. 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 1994-95 to 2009-10 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. 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.

3.13. 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? ES!? 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):

1) Defined Benefit Schemes :(Based)

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

Particulars	As at 31.03.14	As at 31.03.13
Discount rate	9.12%	8.00%
Salary escalation	6.00%	3.50%



2. Changes in Present Value of Obligation:

	As on 31/03/2014	As on 31/03/2013
Present Value of Obligation at the beginning of the year	₹ 24,50,907	₹ 21,76,029
Interest Cost	₹ 2,12,748	₹ 1,74,082
Current Service Costs	₹ 1,24,537	₹ 86,542
Benefits paid	₹ (2,36,296)	₹ (95,254)
Actuarial Gains	₹ (10,26,438)	₹ 1,09,508
Present Value of the Obligation as at the end of the year	₹ 15,25,458	₹ 24,50,907

3. Changes in the fair value of plan assets :

Fair value of the plan assets at the beginning of the year	₹ 19,83,900	₹16,22,766
Expected Return on Plan Assets	₹ 1,78,533	₹ 1,67,156
Contribution	₹ 7,31,833	₹ 2,89,232
Benefits Paid	₹ (2,36,296)	₹ (95,254)
Actuarial gain/(loss) on Plan Assets	₹ 48,052	NIL
Fair Value of the plan assets at the end of the year	₹ 27,06,022	₹19,83,900

4. Fair value of Plan Assets:

Fair value of Plan Assets at the beginning of Year	₹ 19,83,900	₹ 16,22,766
Actual Return on Plan Assets	₹ 1,78,533	₹ 1,67,156
Contributions	₹ 7,31,833	₹ 2,89,232
Benefits Paid	₹ (2,36,296)	₹ (95,254)
Fair Value of Plan Assets at the end of the year	₹ 27,06,022	₹ 19,83,900
Funded Status	₹ 11,80,565	₹ (4,67,007)



5. Actuarial (Gain)/Loss recognized:

Actuarial (gain)/Loss on Obligation	₹ (10,26,438)	₹ (1,09,508)
Actuarial (gain)/Loss for the year on plan assets	NIL	NIL
Total (Gain)/Loss for the year	₹ 10,26,438	₹ 1,09,508
Actuarial (gain)/Loss recognized in the year	₹ 10,26,438	₹ 1,09,508

6. Amounts to be recognized in Balance Sheet:

Present Value of Obligation as at end of the year	₹ 15,25,458	₹ 24,50,907
Fair Value of Plan Assets as at the end of the year	₹ 27,06,022	₹ 19,83,900
Funded Status	₹ 11,80,565	₹ (4,67,007)
Net Assets / (Liability) recognized in balance sheet	₹ 11,80,565	₹ (4,67,007)

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

Current Service Costs	₹ 1,24,537	₹ 86,542
Interest Costs	₹ 2,12,748	₹ 1,74,082
Expected return on plan assets	₹ (1,78,533)	₹ (1,67,156)
Net Actuarial (gain)/Loss recognized in the year	₹ (10,74,490)	₹ 1,09,508
Expenses recognized in P & L A/c	₹ (9,15,739)	₹ 2,02,976

The above figures for the year 31-3-2014 are as furnished based on the valuation by an independent actuary. For the year 31-3-2013 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

ii. Leave encashment

Particulars	Amount (₹)
Change in benefit obligation :	
Obligations at period beginning—current (31-3-2013)	₹ 58495
Obligations at period beginning-Non current	₹ 953259
Service Cost	₹ 56403
Interest on Defined Benefit obligation	₹ 65509
Benefits settled	₹ (586908)
Actuarial (gains)/Loss	₹ 285470



Obligations at period end	832228
Current Liability (Within 12 months)	49508
Non Current Liability	782720
Change in plan assets	
Plan assets at period beginning, at fair value	0
Expected return on plan assets	0
Actuarial gain./.(Loss)	0
Contributions	586908
Benefits Settled	(586908)
Plan assets at period ended, at fair value	0
Funded Status	
Closing PBO	832228
Closing fair value of Plan Assets	0
Closing Funded Status	(832228)
Net asset/ (Liability) recognized in balance Sheet	(832228)
Expenses recognized in P & L account	
Service Cost	56403
Interest Cost	65509
Expected return on Plan asset	0
Actuarial (gain)/Loss	285470
Net gratuity/ Leave cost	407382
Experience Adjustment on Plan Liabilities	285470
Experience Adjustment on Plan Assets	0
Assumptions	
Interest Rate	9.12%
Discount Factor	9.12%
Estimated rate of return on Plan Asset	0.00%
Salary Increase	6.00%
Attrition Rate	5.00%
Retirement Age	60

3.14. 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.

3.15. 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.

3.16. Statement of Bank Reconciliation under current Liabilities and Provisions

The Company has submitted the reconciliation statement. As the volume is large the verification could not be completed. However, the company is confident of proving its accuracy to the Stakeholders and Statutory Bodies.

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

(₹in Lakhs)

Particulars	2014	2013
Profit after Tax as per accounts	(131.07)	(72.21)
Weighted average number of shares outstanding	14150100	14150100
Basic EPS	₹ (0.93)	₹ (0.51)
Profit after Tax as per accounts	(131.07)	(72.21)
Weighted average number of shares outstanding	14150100	14150100
Basic EPS	₹ (0.93)	₹ (0.51)
Face Value per share	₹ 10.00	₹ 10.00

3.18. 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.

3.19. There are no dues to Micro, Small and Medium Enterprises as of 31.03.2014.

3.20. 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

G A REGO
Director

J M PANDAY
Company Secretary

P V SHENOY
Partner
Membership No.020205

Bangalore
May 30, 2014

Udupi
May 30, 2014



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

I. Registration Details

Cin No. State Code

Balance Sheet Date

II. Capital raised during the year

Public Issue Rights Issue

Bonus Issue Private Placement

III. Position of Mobilisation and
Deployment of Funds
(Amount in Rs. Thousands)

Total Liabilities Total Assets

Sources of funds Reserves and Surplus

Application of Funds Current Liabilities

Tangible Assets Non Current Investments

Other Non Current Assets Current Assets

IV. Performance of Company
(Amount in Rs. Thousands)

Turnover Total Expenditure

+/- Profit/Loss Before Tax +/- Profit/Loss After Tax

Earning per share in Rs. Dividend Rate %

V. Generic Name of Three Principal
Products/Services of Company
(as per monetary terms)

Item Code No. (ITC Code) NOT APPLICABLE

Product/Service Description The Company was in NBFC business which has been discontinued.



**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 & PROPERTIES PVT. .LTD..	E'LDORADO NVESTMENT CO. PVT. .LTD..
2. The Financial period of the Subsidiary Company ended on	March 31, 2014	March 31, 2014	March 31,2014
3. Year from which they became Subsidiary Company	2003	2001	2001
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, 2014	(87,50,293)	20,30,717	20,75,698
b) For the previous financial years of the subsidiary Company since it became the Holding Company's Subsidiary	(2,34,11,881)	(1,05,37,364)	(57,89,175)
2. Dealt with in the Holding Company's accounts			
a) For the financial years ended 31st March, 2014	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, 2014	No	No	No
a) Nos. of Shares	N.A.	N.A.	N.A.
b) Extent of holding			
8. Material Changes between the end of the financial year of the Subsidiary Company and the Company's Financial Statement ended 31st March, 2014			
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

Bangalore
May 30, 2014

S R GOWDA
Whole Time Director

K B SHETTY
Director

G A REGO
Director

J M PANDAY
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDING 31st MARCH 2014

₹ in lakhs

	Current Year 31-03-2014	Previous Year 31-03-2013
A. Cash flow from Operating Activities :		
Profit/(Loss) before Tax	(131.07)	(72.21)
Adjustments for :		
Depreciation	22.24	27.46
Lease Equalisation	(10.61)	(11.33)
Interest on Investments	(79.03)	(41.81)
Dividend Income	(1.46)	(145.44)
Profit on Sale of Assets	(1.52)	(208.74)
Long term Provisions	(4.67)	(0.86)
Operating Profit Before Working Capital Changes	(206.12)	(452.93)
(Increase)/Decrease in Trade Receivables	59.86	143.24
(Increase)/Decrease in Long Term Loans and Advances	95.74	991.35
Increase/ (Decrease) in Other Long Term Liabilities	12.50	(94.46)
Increase/ (Decrease) in Trade Payable	(3.78)	(56.46)
Increase/ (Decrease) in Other Current Liability	1,065.10	954.91
Increase/(Decrease) in short term Borrowings	90.58	87.61
Cash Generated from Operations	1,113.88	1,573.26
Net cash from Operating Activities	1,113.88	1,573.26
B. Cash flow from Investing Activities		
Purchase/Sale of Fixed Assets	1.00	317.34
Purchase/Sale Proceeds of Investments (Net)	(4.86)	(154.50)
Dividend Income	1.46	145.44
Interest Received	72.47	249.77
Net Cash from Investing Activities	70.07	558.05
C. Cash Flow from Financing Activities		
Call Money Received	0.04	0.00
Share Premium Received	0.02	0.00
Outstanding Deposits Paid off	(1340.65)	(1457.40)
Net Cash From Financing Activities	(1340.59)	(1457.40)
Net Increase/(Decrease) in Cash and Equivalents (A+B+C)	(156.64)	673.91
Opening Balance of Cash and Equivalents	1,106.54	432.63
Closing Balance of Cash and Equivalents	949.90	1,106.54

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

S R GOWDA
Whole Time Director

G A REGO
Director

K B SHETTY
Director

J M PANDAY
Company Secretary

Bangalore
May 30, 2014

P V SHENOY
Partner
Membership No. 020205
Udupi
May 30, 2014



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	6614.55	117.89
	: Secured		
	: 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		1413.72
(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		127.85
	(b) Operating Lease		....



Assets Side:

Amount outstanding

(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire		752.45
(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	8.06	196.40
Total	188.34	8.06	196.40

(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(Net of provisions)	Book value
**		
1. Related Parties		
(a) Subsidiaries	758.94	433.56
(b) Companies in the same group	....	....
(c) Other related parties	....	....
2. Other than related parties	2055.08	1908.69
Total	2814.02	2342.25

** 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	3388.01
(ii) Net Non-performing Assets	
(a) Related parties	....
(b) Other than related parties	463.99
(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 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 Board of Directors of **MAHA RASHTRA APEX CORPORATION LIMITED**

Report on Financial Statements

We have audited the accompanying consolidated financial statements of MAHA RASHTRA APEX CORPORATION LIMITED(the "Company") and its subsidiaries which comprise the Consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements:

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of general Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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 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 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 control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

We did not audit the financial statements of subsidiaries whose financial statements reflects assets (Net) of ₹ 124.91 lakhs as at 31 march 2014, the total revenue of ₹ 49.25 lakhs and net cash flow amounting to (-) ₹ 13.98 lakhs for the year ended on that date. These financial statements are audited by other auditors whose reports are furnished to us and our opinion, in so far as it relates to amounts included in respect of the subsidiaries, is based on the report of the other auditors.

We report that the consolidated financial statements have been prepared by companies management in accordance with the requirements of the accounting standard AS 21 And As "Consolidated financial Statements" And AS -23 "Accounting for investment in Associates in consolidated financial statement" Issued by the Institute of Chartered Accountants of India

Basis for Qualified Opinion:

1. Company has prepared its accounts on going 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 (Ref Note No 12 B(2))
2. The company has not made Provisions after 1st April 2000 as required under provincial norm of RBI as the management of the view that it will be able to monitor effectively the deficit in operation but we are unable to comment on the ultimate reliability of company's assets.

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 matters described in the Basis for Qualified Opinion paragraph and based on consideration of the reports of the other auditors on financial statements/Consolidated financial statements of subsidiaries and associates, consolidated financial statement give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Consolidated Statement Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

1. The company has valued the liability in respect of Leave encashment as per actuarial valuation as per AS -15(Revised). The Gratuity recognised as per LIC actuarial calculation and EPF contribution are debited to Profit and Loss. Employees benefits are recognised and disclosed as required under AS- 15 (Revised).

Our opinion is not qualified in respect of other matters.

Place: Udupi
Date: May 30, 2014

for **RAO & SWAMI**,
Chartered Accountants
(FRN: 003105S)

P V Shenoy
(Partner)
Membership No. : 020205



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 1014

₹ in lakhs

Particulars	Note No.	Current Year 31 March 2014	Previous Year 31 March 2013
I EQUITY AND LIABILITIES			
1 Shareholders Funds			
a) Share Capital	1	1442.74	1442.70
b) Reserves & Surplus	2	(8614.16)	(8438.28)
c) Minority Interest		1.30	1.12
2 Non-Current Liabilities			
a) Deferred Tax Liabilities(Net)	3(a)	0.00	0.01
b) Other Long Term Liabilities	3(b)	458.93	460.08
c) Long-Term Provisions	3(c)	1262.28	1266.95
3 Current Liabilities			
a) Short Term Borrowings	4(a)	321.46	230.87
b) Trade Payables	4(b)	11.36	14.76
c) Other Current Liabilities	4(c)	12694.59	12978.55
d) Short Term Provisions	4(d)	14.55	7.95
TOTAL		7593.05	7964.71
II ASSETS			
Non Current Assets			
1 a) Fixed Assets			
(i) Tangible Assets	5(a)	179.20	191.98
(ii) Intangible Assets		545.05	545.05
(b) Non Current Investments	5(b)	1894.43	1938.99
(c) Long Term Loans & Advances	5(c)	2234.96	2331.52
(d) Other Non Current Assets	5(d)	2.20	2.20
2 Current Assets			
(a) Inventories	6(a)	13.37	40.85
(b) Trade Receivables	6(b)	904.79	983.12
(c) Cash and Cash Equivalents	6(c)	985.61	1128.27
(d) Short Term Loans and Advances	6(d)	156.36	134.44
(e) Other Current Assets	6(e)	677.08	668.29
TOTAL		7593.05	7964.71

Significant Accounting Policies and Notes to Accounts

The Notes are an integral part of these financial statements

12

S R GOWDA
Whole Time Director

G A REGO
Director

K B SHETTY
Director

J M PANDAY
Company Secretary

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

Bangalore
May 30, 2014

P V SHENOY
Partner
Membership No. 020205
Udupi, May 30, 2014



STATEMENT OF CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014

₹ in lakhs

Particulars	Note No.	Current Year 31 March 2014	Previous Year 31 March 2013
I. Revenue from Operations	7	58.89	67.01
II. Other Income	8	129.05	457.16
III. Total Revenue (I+II)		<u>187.94</u>	<u>524.17</u>
IV. Expenses:			
Employee Benefits Expense	9(a)	55.92	71.60
Finance Cost	9(b)	293.05	412.85
Depreciation and amortisation expense	9(c)	23.92	29.23
Other expenses	9(d)	77.56	130.73
Total Expenses		<u>450.45</u>	<u>644.41</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		(262.51)	(120.24)
VI. Exceptional Items –	10	(138.53)	(227.96)
VII. Profit before extraordinary items and tax (V-VI)		(401.04)	(348.20)
VIII. Extraordinary Items	11	230.06	266.89
Profit before Tax (VII-VIII)		(170.98)	(81.31)
IX. Tax Expense			
(1) Current Tax		(6.90)	(2.44)
(2) Excess Provision for IT		2.16	(0.50)
X. Profit (Loss) for the period from continuing operations (IX-X)		(175.72)	(84.24)
XI. Profit (Loss) for the period (XI+XIV)		(175.72)	(84.24)
Minority interest		(0.17)	(0.07)
Profit (Loss) for the period		(175.89)	(84.31)
XII. Earnings per equity share:			
(1) Basic		(1.24)	(0.60)
(2) Diluted		(1.24)	(0.60)

Significant Accounting Policies and Notes to Accounts

The Notes are an integral part of these financial statements

12

S R GOWDA
Whole Time Director

G A REGO
Director

K B SHETTY
Director

J M PANDAY
Company Secretary

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

Bangalore
May 30, 2014

P V SHENOY
Partner
Membership No. 020205
Udupi, May 30, 2014



NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS ON 31 MARCH 2014

₹ in lakhs

	Current Year 31 March 2014		Previous Year 31 March 2013	
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 of ₹10/- each and 2,00,00,000 Redeemable Cumulative Preference Shares of ₹10/- each)	<u>2000.00</u>	4000.00	<u>2000.00</u>	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	<u>623.65</u>	2215.01	<u>623.65</u>	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	<u>3.89</u>	1411.12	<u>3.93</u>	1411.08
316200 14% Redeemable Cumulative Preference Shares of ₹10/- each		31.62		31.62
TOTAL		1442.74		1442.70

- (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-2014		As at 31-March-2013	
	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	1411.08
Add: Shares Issued during the year	Nil	Nil	Nil	Nil
Balance at the end of the year	14150100	1411.12	14150100	1411.08
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:				
<p>The equity shares have a par value of ₹ 10 per share. Each shareholders 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>				
Preference Shares:				
<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-2014		As at 31-March-2013	
	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 Invesment Trade & Business Finance Ltd.	906297	6.40%	906297	6.40%
M/s Metropolis Builders (P) Ltd.	1354643	9.57%	13,31,524	9.41%
Preference Shares				
General Investment & Commercial Corporation Ltd.	20100	6.36%	20100	6.36%



Particular	As at 31-March-2014		As at 31-March-2013	
Note No. 2				
<u>RESERVES & SURPLUS</u>				
Capital Reserve	77.99		77.99	
Capital Redemption Reserve [Redemption of 17.5% RCP Shares]	176.35		176.35	
Securities Premium Reserve	997.49		997.48	
General Reserve	218.61		218.61	
Special Reserve [Pursuant to RBI (Amendment) Act, 1997]	159.52	1629.96	159.52	1629.95
Surplus Statement of Profit & Loss Profit/Loss from Previous Year	10068.23		(9983.92)	
Profit/Loss for the Current Year	(175.89)	(10244.12)	(84.31)	(10068.23)
TOTAL		(8614.16)		(8438.28)
2 NON-CURRENT LIABILITIES				
Note No. 3 (a)				
Deferred tax Liabilities (Net)		0.00		0.01
Note No. 3(b)				
<u>OTHER LONG TERM LIABILITIES</u>				
Lease Security Deposits		458.93		460.08
Note No. 3(c)				
<u>LONG TERM PROVISIONS</u>				
(i) Provision for Employees Benefits For Gratuity		0.00		4.67
(ii) Others For Non-performing Assets		1262.28		1262.28
TOTAL		1262.28		1266.95
3 CURRENT LIABILITIES				
Note No. 4(a)				
Short term Borrowings				
Current account overdrawn Balance		269.39		178.81
From Others		52.07		52.06
TOTAL		321.46		230.87
Note No. 4(b)				
<u>TRADE PAYABLES</u>				
H.P and other Creditors		11.36		14.76
TOTAL		11.36		14.76



Particular	As at 31-March-2014	As at 31-March-2013
Note No. 4(c)		
<u>OTHER CURRENT LIABILITIES</u>		
Unpaid Creditors being outstanding Bonds/Deposits maturing after 31.03.2002 and inter corporate deposit (Secured by first charge on Co's financial assets book debts & receivables)	6614.55	8120.71
Unsecured:		
Inter corporate deposit	561.81	561.81
Matured Deposit/Bonds with Interest	117.89	119.70
Delayed period interest on deposit	2488.34	2321.02
Rent Security Deposit	16.15	87.78
TDS Payments 2013-14	0.37	5.10
Liabilities for Expenses	12.50	15.60
Cheque issued for repayments of deposit/ bonds pending realisation	200.69	215.20
EMD/Other Advances	2662.46	1500.51
Collection and other Accounts	0.70	6.54
Other Payable	5.22	5.22
Expenses Payable	13.91	15.85
Audit Fees Payable		
Others		
EPF Payable	0.00	2.58
ESI Payable	0.00	0.93
TOTAL	<u>12694.59</u>	<u>12978.55</u>
Note No. 4(d)		
<u>SHORT TERM PROVISIONS</u>		
Provision for Taxation	14.55	7.95



₹ in lakhs

	Gross Block (At Cost)			Depreciation						Lease Terminal Adjustment		Net Block	
	As on 01.04.2013	Additions	Deductions	As on 31.03.2014	Upto 31.03.2013	for the Period	on Sold Asset	upto 31.03.2014	for the Year	Previous Year	As on 31.03.2014	As on 31.03.2013	
Company Assets													
Land	37.34	0.00	0.00	37.34	0.00	0.00	0.00	0.00	-	-	37.34	37.34	
Buildings and Office Premises	254.95	0.00	0.00	254.95	137.91	3.64	0.00	141.55	-	-	113.40	117.04	
Office Furniture & Eq	370.63	0.34	17.53	353.44	343.33	5.31	17.26	331.38	-	-	22.06	27.30	
Motor cars and other Vehicle	10.54	0.00	3.59	6.95	7.78	0.49	3.59	4.68	-	-	2.27	2.76	
Total	673.46	0.34	21.12	652.68	489.02	9.44	20.85	477.61	-	-	175.07	184.44	
Leased Assets													
Plant & Machinery	828.15	0.00	15.18	812.97	767.31	14.47	10.92	770.86	37.99	53.31	4.12	7.53	
Motor vehicles	5.11	0.00	0.00	5.11	5.10	0.00	0.00	5.10	-	-	0.01	0.01	
Gas Cylinder	3.20	0.00	0.00	3.20	3.20	0.00	0.00	3.20	-	-	0.00	0.00	
Furniture	15.75	0.00	0.00	15.75	15.75	0.00	0.00	15.75	-	-	0.00	0.00	
Total	852.21	0.00	15.18	837.03	791.36	14.47	10.92	794.91	37.99	53.31	4.13	7.54	
Grand Total	1525.67	0.34	36.30	1489.71	1280.38	23.91	31.77	1272.52	37.99	53.31	179.20	191.98	
(ii) Intangible Assets													
Goodwill on Consolidation	545.05	0.00	0.00	545.05	0.00	0.00	-	0.00	0.00	0.00	545.05	545.05	

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

Particular	As at 31-March-2014	As at 31-March-2013
Note No. 5(b)		
NON CURRENT INVESTMENTS		
i) Investment in Property		
Investment in immovable property/land & building	24.16	24.75
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	<u>24.06</u>	<u>24.06</u>
	37.94	37.94
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	0.98	0.98
65990 Manipal Springs Pvt.Ltd. shares of ₹ 100/- each	66.32	66.32
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
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
170000 Dagny Investments Pvt. Ltd. Shares of ₹ 10/- each	0.00	17.00
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
400000 Canara Steel Ltd. Shares of ₹ 10/- each	<u>40.00</u>	<u>0.00</u>
	453.62	430.62
iv) Investment in Associates		
Unquoted Equity Shares		
5693020 Kurlon Limited shares of ₹ 10/- each	1726.06	1726.06
v) Investment in Government or Trust Securities		
6 year National Savings Certificate at cost	0.14	0.14
83800 Units of UTI - Masterplus - 91 (Div), of ₹ 10/- each	14.41	14.41
6500 Units of UTI - Mastershare,(Div) of ₹ 10/- each	<u>0.92</u>	<u>0.92</u>
	15.33	15.33
vi) Investment in Debentures or Bonds		
Unquoted Debentures		
750 Jay Rapid Roller Limited Debentures of ₹ 1000/- each	7.50	7.50



Particular	As at 31-March-2014	As at 31-March-2013
vii) Investment in Mutual Funds:		
54001.28 Franklin Templeton India - Balanced (Growth) @ 15.62 each (Total Market Value of Shares, Debentures, Trustee Securities & Mutual Funds ₹ 145.46 lakhs) (Previous Year ₹ 110.36 lakhs)	8.43	8.43
Sub -Total	2273.18	2250.77
Less: Diminution in the Value of Investment	378.75	311.78
TOTAL	1894.43	1938.99
Note No. 5 (c) <u>LONG TERM LOANS & ADVANCES</u>		
CONSIDERED GOOD :		
Secured :		
Demand Loans	392.81	392.81
Advance Income Tax and TDS - Net of provision	316.06	307.02
Advance Fringe Benefit tax - Net of provision	0.50	0.50
Other loans and advances	86.95	86.95
Deposit with others	24.36	26.71
Unsecured :		
Other Loans and advance ('Dagny Investment Pvt Ltd.)	0.56	0.14
Demand Loans	1282.94	1367.93
Bills Discounted	130.78	149.46
TOTAL	2234.96	2331.52
Note No. 5 (d) <u>OTHER NON CURRENT ASSETS</u>		
Term Deposits with banks with maturity period beyond 12 months (Given as security for Bank Guarantee in favour of RTO and Sales Tax Authorities.)	2.20	2.20
2 CURRENT ASSETS		
Note No. 6 (a) <u>INVENTORIES</u>		
Stock In trade	13.37	40.85
Note No. 6 (b) <u>TRADE RECEIVABLES</u>		
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]	752.45	804.19



Particular	As at 31-March-2014	As at 31-March-2013
Commission and Rent Receivable		
- Due for more than 6 months	149.47	157.60
- others less than 6 months	0.56	0.55
Debtors for Share Dealings		
- Due for more than 6 months		
Others		
- others less than 6 months	2.31	20.78
TOTAL	904.79	983.12
Note No. 6 (c)		
<u>CASH AND CASH EQUIVALENTS</u>		
Balances with Banks		
With Scheduled Banks in Current accounts	50.81	90.39
With Scheduled Banks in Deposit accounts	930.05	833.03
Cash in hand	4.00	3.57
Cheques in hand	0.00	200.00
Stamps in hand	0.20	0.53
Stock of Stationery on hand at cost	0.55	0.75
TOTAL	985.61	1128.27
Note No. 6 (d)		
<u>SHORT TERM LOANS AND ADVANCES</u>		
Loans and Advances -Associates	8.71	1.06
Other Receivable	95.38	81.11
Due from Other Company	52.20	52.20
Account Receivable	0.07	0.07
TOTAL	156.36	134.44
Note No. 6 (e)		
<u>OTHER CURRENT ASSETS</u>		
Deposit with others	12.15	12.15
Advance tax and tds	31.16	26.44
Interest accrude on investment	14.57	2.91
Other receivable	617.15	622.25
Deferred revenue expenses	2.05	4.10
Pre paid expenses	0.00	0.44
TOTAL	677.08	668.29



Particular	As at 31-March-2014	As at 31-March-2013
Note No. 7		
<u>REVENUE FROM OPERATIONS</u>		
Income from Hire Purchase, Lease, Loans & Advances	22.51	27.68
Lodging Business	9.26	8.51
Service Charges Received	5.73	5.31
Rent Receipts	12.84	14.98
Income from Recovery of Decead Assets	0.87	0.50
Supervision Charges Received	1.83	4.18
Professional Charges Received	5.85	5.85
TOTAL	<u>58.89</u>	<u>67.01</u>
Note No. 8		
<u>OTHER INCOME</u>		
Int. Received on Bank Deposit	79.33	42.43
Other Interest Earned	0.38	0.27
Miscellaneous Receipts	3.05	5.88
Service Charges	1.12	1.54
Income from House Property	3.65	27.32
Dividend Income :	1.49	145.48
Income from Profession	6.15	6.15
Profit/ Loss on Sale of Asset	12.07	208.73
Sale of Scrap Papers	1.00	0.00
Lease Equalisation	10.61	11.33
Compansation Charges Received	10.20	8.03
TOTAL	<u>129.05</u>	<u>457.16</u>
EXPENSES		
Note No. 9 (a)		
<u>EMPLOYEE BENEFITS EXPENSE</u>		
Salaries & Bonus	55.30	57.58
Contribution to P F and other Funds	6.86	7.21
Gratuity	-9.16	2.03
L C Premium & Service Tax on Gratuity	0.05	0.00
Staff Welfare Cost :		
- Staff Welfare Expenses	1.80	1.88
- Group Insurance Paid	0.42	0.65
- Staff Medical Expenses	0.65	2.25
TOTAL	<u>55.92</u>	<u>71.60</u>
Note No. 9 (b)		
<u>FINANCE COST</u>		
Others	293.05	412.85



Particular	As at 31-March-2014	As at 31-March-2013
Note No. 9 (c)		
Depreciation and Amortisation Expenses	<u>23.92</u>	<u>29.23</u>
Note No. 9 (d)		
<u>Other Expenses</u>		
Printing and Stationery	2.66	2.86
Postage and Telephones :	5.11	6.24
Computers and other Advisory Services :	5.80	9.49
Director's Sitting Fees and Travelling Expenses	0.00	0.08
Filing Fees	0.05	0.66
General Charges :	9.84	11.72
Fire and other Insurance Premium	0.35	0.37
Service tax paid	1.05	4.83
Newspapers, Books & Periodicals	0.23	0.24
Remuneration to Auditors :	3.42	3.39
Rent	7.55	11.90
Taxes and Licence	3.38	4.67
Travelling Expenditure :	4.36	4.62
Legal Expenses	10.25	18.27
Advertisement Charges	2.51	7.71
Bank Charges	0.57	2.67
Electricity Charges	2.15	2.36
Repairs to Buildings :	3.36	4.32
Other Repairs & Maintenance	1.18	0.95
Vehicle Maintenance	2.28	3.65
Miscellaneous Expenses	3.86	3.04
Society Maintenance Charges	1.42	1.20
Compensation Charges Paid	1.41	1.41
Deferred Revenue Expenses amortized	2.05	2.05
Decreed Asset Recovery Expenses	0.43	0.44
Staff Welfare Expenses of subsidiaries	0.57	0.34
Bad Debts Writtenoff of subsidiaries	1.73	21.25
TOTAL	<u>77.56</u>	<u>130.73</u>



Particular	As at 31-March-2014	As at 31-March-2013
Note No. 10		
<u>Exceptional items</u>		
(i) Exceptional Expenses:		
Bad Debts Written off	109.84	261.80
Provision for diminution in the value of investments	84.90	0.00
	<u>194.73</u>	<u>261.80</u>
Less:		
(ii) Exceptional Income:		
Bad Debts Recovered	38.27	32.84
	17.93	1.00
Sub-Total	<u>56.20</u>	<u>33.84</u>
TOTAL	138.53	227.96

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

230.06

266.89

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

ACCOUNTING POLICY AND NOTES TO FINANCIAL STATEMENT

A) 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 31.03.2014
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%

b) The following Fellow Subsidiary Companies have also been considered:

Name of the Company	Extent of holding by EL'DORADO INVESTMENTS CO. PVT.LTD. on 31.03.2014
EL'DORADO SHARE SERVICES PVT.LTD.	89.98%

Note: During the Year DAGNY INVESTMENT PRIVATE LIMITED 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.

c) The Financial Statements of Maharashtra Apex Corporation Ltd. its subsidiaries and fellow subsidiaries used in the consolidation are drawn upto the same reporting date as that of the Parent Company, i.e., year ended 31st March, 2014.

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, 1956.
- 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.

4. Fixed Assets are stated at original cost less depreciation after taking into consideration the lease adjustment account wherever necessary.

5. All expenses are accounted on accrual basis except interest for the year on deposits/bonds which are calculated



6. 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 is charged at the rates and in the manner specified in the Schedule XIV to the Companies Act, 1956.
8. Current Assets:
 - i) Stock on hire is valued at agreement values less amount received, unrealized, un matured finance charges and future taxes and insurance.
 - ii) Repossessed Stock is valued at cost.
9. Cost of borrowings is charged to revenue except interest not accounted as per Note A(5).
10. 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.
11. 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.
12. Contingent liabilities, if any, are disclosed by way of Notes on accounts.

B. NOTES TO ACCOUNTS:

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:
 - a) 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.
 - b) has started repaying the deposits/bonds as per the terms of the Scheme and the total reduction in liability during the year amounted to ₹ 1507.98 lakhs.
 - c) 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 31.03.2014 amounts to ₹ 6732.43 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	... (-)166.31
Provision for Diminution in the value of Investments	... (-)1.93
De-recognition of Income on Non-Performing Assets	... (-)16.98
Total Short Provision As on 31-3-2014	... 2816.90

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

Name of the party	Transaction Value –During the Year		Outstanding Value –Closing value	
	2014	2013	2014	2013
Manipal Chit Fund Pvt., Ltd.,	0.15	(1.92)	0.47	0.32
CCI Ltd	(23.03)	(53.50)	288.37	311.40
CCI Ltd – Sundry	7.70	0.53	8.61	0.91
Maha Rastra Apex Asset Management Company Ltd.,	40.23	89.22	(102.73)	(142.96)
Estate & Properties Pvt Ltd	(31.76)	(41.89)	(47.41)	(15.65)
Eldardo Investment Pvt Ltd	(22.14)	20.88	(23.48)	(1.34)
Eldardo Shares Services Pvt Ltd	0.82	0.84	0.92	0.10

5. Contingent Liabilities:

- i) Suits against the holding company for damages not acknowledged as debt : ₹ 0.28 lakhs.
- ii) No Provision is made in the books for disputed Income Tax Liability for the Assessment years 1994-95 to 2009-10 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
- iii) No provision is made in the accounts for the disputed sales tax liability amounting to ₹ 17.54 lakh for the Assessment Year 1995-96 to 1996-97 as the appeal filed by the Company is pending disposal.
- iv) 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, 2014	March 31, 2013
a) Net profit/loss available for equity Shareholders (in lakh) numerator used for calculation	(175.89)	(84.31)
	(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	(1.24)	(0.60)
Face Value Per Share (₹)	10	10

Refer our Report of even date

S R GOWDA
 Whole Time Director

G A REGO
 Director

K B SHETTY
 Director

J M PANDAY
 Company Secretary

For RAO & SWAMI,
 Chartered Accountants
 FRN. 003105S

 Bangalore
 May 30, 2014

P V SHENOY
 Partner
 Membership No. 020205
 Udupi, May 30, 2014



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

₹ in lakhs

	Current Year 31 March 2014	Previous Year 31 March 2013
A. Cash flow from Operating Activities :		
Profit/(Loss) before Tax	(170.98)	(81.30)
Adjustments for :		
Deferred Tax charged to p&l	0.00	0.00
Excess provision written back	2.16	(0.50)
Depreciation	23.92	29.23
Lease Equalisation	(10.61)	(11.33)
Interest on Investments	(79.33)	(42.43)
Dividend Income	(1.49)	(145.48)
Profit on Sale of Assets	(12.07)	(208.74)
Operating Profit Before Working Capital Changes	(248.40)	(460.55)
(Increase)/Decrease in Inventories	27.48	21.35
(Increase)/ Decrease in Trade Receivables	78.33	138.55
(Increase) / Decrease in Short term Loans and Advances	(21.92)	(55.50)
(Increase)/ Decrease in Other Current Asset	(8.79)	208.35
(increase)/Decrease in Long Term Loans and Advances	96.56	1,014.13
(increase)/Decrease in other Long Term Liabilities	(1.15)	0.00
(increase)/ Decrease in Other Long Provision	(4.67)	(0.86)
Increase/ (Decrease) in Trade Payable	(3.40)	(61.69)
Increase/(Decrease) in Short term Borrowings	90.58	97.58
Increase/ (Decrease) in Other Current Liability	1,056.69	963.72
Increase/ (Decrease) in short term Provision	6.60	0.95
Cash Generated from Operations	1,067.91	1,866.03
Less: Tax Expenses		
Direct Taxes Paid	(6.90)	(2.44)
Deferred Tax	0.00	(0.00)
Net cash from Operating Activities	1,061.01	1,863.59
B. Cash flow from Investing Activities		
Purchase/Sale of Fixed Assets	11.55	317.34
Purchase/Sale Proceeds of Investments (Net)	44.55	(240.48)
Dividend Income	1.49	145.48
Interest Received	79.33	42.43
Net Cash from Investing Activities	136.92	264.77
C. Cash Flow from Financing Activities		
Call Money Received	0.04	0.00
Security Premium Received	0.02	0.00
Outstanding Deposits Paid off	(1340.65)	(1457.40)
Net Cash From Financing Activities	(1340.59)	(1457.40)
Net Increase/(Decrease) in Cash and Equivalents (A+B+C)	(142.66)	670.96
Opening Balance of Cash and Equivalents	1,128.27	457.31
Closing Balance of Cash and Equivalents	985.61	1,128.27

S R GOWDA
Whole Time Director

G A REGO
Director

K B SHETTY
Director

J M PANDAY
Company Secretary

Refer our Report of even date

For RAO & SWAMI,
Chartered Accountants
FRN. 003105S

Bangalore
May 30, 2014

P V SHENOY
Partner
Membership No. 020205
Udupi, May 30, 2014



NOTICE

NOTICE is hereby given that the 19th Annual General Meeting of the Members of Maha Rashtira Apex Asset Management Co. Ltd. will be held on Tuesday, the 15th July, 2014 at 3.00 p.m at No. 5, Ground Floor, "Brigade Links Apartments", No. 54/1, 1st Main Road, Seshadripuram, Bangalore - 560 020 to transact the following business:

AGENDA

- To receive, consider, approve and adopt the audited Balance Sheet as at 31st March 2014, Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date together with the Report of Directors and the Auditors thereon.
- To appoint a Director in the place of Sri G A Rego who retires by rotation, and being eligible offers himself for re-appointment.
- To appoint M/s. Vasudev Pai & Co., Chartered Accountants, (Firm Regn No : 0045605) as Statutory Auditors of the Company, who shall hold the office from the conclusion of this meeting till the conclusion of the sixth annual general meeting hereafter, subject to ratification in every annual general meeting till sixth such meeting on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors.

By Order of the Board of Directors

Place : Bangalore
Date : 23.05.2014

Director

NOTE:

- 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.
- The instrument appointing proxy should, however be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
- The Register of Members and share transfer books of the Company shall remain closed from 9th July 2014 to 14th July 2014 (both days inclusive).

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting herewith the Nineteenth Annual Report together with the Audited Accounts of the Company for the year ended on 31st March 2014.

WORKING

Your Directors are to report that during the year the operation of the Company results in a Net Loss of ₹ 87.50 lakhs (PY: Loss of ₹ 21.02 lakhs).

Your Directors continue their efforts to improve the working of the Company.

DIRECTORS

Sri. G A Rego, Director retires in the ensuing Annual General Meeting and being eligible offers himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:

In compliance of Section 217 (2AA), as incorporated by the Companies (Amendment) Act, 2000, in the Companies Act, 1956, your directors confirm that:

- That in the preparation of the accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review;
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Directors have prepared the accounts for the financial year ended 31st March 2014 on a 'going concern' basis.

AUDITORS REPORT:

The observations of Auditors are self-explanatory in nature, and therefore these do not call for any further comments.

DEPOSITS: The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

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

Information on Conservation of Energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable since there is no such activity being pursued by the Company.

PARTICULARS OF EMPLOYEES: In terms of notification dated 31.03.2011 issued by the Ministry of Corporate Affairs, Government of India, there are no Employees of the category mentioned in Section 217(2A) of the Companies Act, 1956, in respect of whom the particulars are required to be given.

AUDITORS: M/s. Vasudev Pai & Co., Chartered Accountants, (Firm Regn No: 0045605), who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s Vasudev Pai & Co. as statutory auditors of the Company from the conclusions of the forthcoming Annual General Meeting till the conclusion of the Sixth Annual General Meeting hereafter, subject to ratification of their appointment at every Annual General Meeting.

Place : Bangalore
Date : 23.05.2014

On Behalf of the Board of Directors
Director Director

Vasudev Pai & Co
Chartered Accountants

AUDITOR'S REPORT

To the Members of Maharashtra Apex Asset Management Company Ltd

Report on the Financial Statements

We have audited the accompanying financial statements of Maharashtra Apex Asset Management Company Ltd., ("the Company") which comprise the Balance Sheet as at 31st March, 2014, and 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

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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

Our responsibility is to express an opinion on these financial statements based on our audit. 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 and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- in the case of the Statement of Profit and Loss, of the LOSS of the Company for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion proper books of account as required by law have been kept by the Company so far as it 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, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
- On the basis of the written representations received from the directors as on 31st March, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Vasudev Pai & Co,
Chartered Accountants
Firm's Registration Number: 0045605

Place : Bangalore
Date: 23.05.2014

(T VASUDEV PAI)
(PROPRIETOR)
Membership Number: 020906

ANNEXURE TO THE AUDITOR'S REPORT Referred to in paragraph 1 of our Report of even date

- The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The fixed assets are physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
 - During the year, the Company has not disposed of a substantial part of fixed assets, which will affect the Company as a going concern.
- In our opinion, the Company has maintained proper records showing the details of stock of decree debts, which have been reflected under the head Current Assets. The Company does not have any other inventory hence the provisions of clause 4(ii) are not applicable to the Company during the year.

MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED



3. (a) The Company has granted interest free unsecured advance to its Holding & Associate Companies covered under Section 301 of the Act. The balance outstanding as receivable as at 31st March 2014 and the maximum balance outstanding during the year is Rs. 110.37 lakhs and Rs. 150.61 lakhs respectively (PY: Rs. 142.96 lakhs and Rs. 232.19 lakhs).
- (b) The terms and conditions of such advances are not, in our opinion, prima facie, prejudicial to the interest of the Company.
- (c) There is no stipulation in respect of repayment of the above-referred advance.
- (d) The Company has not granted loans, secured or unsecured to Firms or Other Parties covered in the Register maintained under Section 301 of the Act.
- (e) The Company has not taken secured or unsecured loan from companies, firms or other parties listed in the Register maintained under Section 301 of the Act. Therefore the provisions of Clause 4(iii)(e) to (g) of the Order are not applicable to the Company.

1. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets and sale of goods and services. During the year, the Company's operations do not involve purchase of fixed assets and sale of goods. During the course of audit, we have not observed any major weakness in the internal control system.
2. According to the information and explanations given to us there have been no contracts or arrangements during the year, that need be entered in the register maintained under Section 301 of the Act.
3. The Company has not accepted deposits from the public within the meaning of Section 58A and 58AA of the Act and Rules framed there under.
4. The Internal audit functions have been carried out during the year by the staff of the Holding Company appointed by the management, which has been commensurate with the size of the Company and nature of its business.
5. The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Act for any of the products of the Company.
6. i) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Income Tax, Provident Fund, Employees State Insurance, Cess and other Statutory Dues applicable to it with the appropriate authorities and there are no arrears under the above head which were due for more than six months from the date they became payable as at the close of the year.
- ii) Keeping in view the present operations of the Company, the statutes relating to Sales Tax, Customs Duty, Excise Duty, Investors Education and Protection Fund and Cess are not applicable to the Company.
- iii) There are no dues of Income Tax, Provident Fund, Employees State Insurance and Cess have been disputed and lying pending as at the close of the year.
7. The accumulated loss reflected under Reserves & Surplus as at 31.03.2014 is more than 50 percent of net worth of the Company. The Company has incurred cash losses during the current financial year and also in the immediately preceding financial year.
8. The Company has not borrowed any amounts from banks, financial institutions or from debenture holders during the year under Audit. Therefore, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
9. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
10. The Company is not chit fund/ nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
11. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company. However, the long term investments which have been held by the Company are in its own name.
12. The Company has not given guarantee for loans taken by others from Banks and financial institutions. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
13. The Company has not availed any Term loan during the year. Therefore the provisions of clause 4 (xvi) of the Order 2003 are not applicable to the company.
14. The Company has not raised any funds on short-term basis that have been used for long-term investment.
15. The Company has not made any preferential allotment of shares to Parties and Companies covered in the Register maintained under Section 301 of the Act during the year. Accordingly, the provisions of 4(xviii) of the Order are not applicable to the Company.
16. The Company has not issued any debenture during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of 4(xix) of the Order are not applicable to the Company.
17. The Company has not raised any money by public issues during the year. Accordingly, the provisions of 4(xx) of the Order are not applicable to the Company.
18. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company noticed or reported during the year, nor have we been informed of any such case by the Management.

For Vasudev Pai & Co,
Chartered Accountants
Firm's Registration Number: 004560S

(T VASUDEV PAI)
(PROPRIETOR)
Membership Number: 020906

Place: Bangalore
Date: 23.05.2014

Balance Sheet as at 31.03.2014

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.01	5,02,58,000	5,02,58,000
(b) Reserves & Surplus	2.02	(3,06,90,899)	(2,19,40,606)
2 Non-current Liabilities			
(a) Deferred tax liabilities (Net)	2.03	353	546
3 Current Liabilities			
(a) Trade Payables		26,055	-
(b) Other Current Liabilities	2.04	5,75,298	8,09,597
TOTAL		2,01,68,807	2,91,27,537
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
I) Intangible Assets	2.05	1,313	2,189
(b) Non-Current Investments	2.06	40,10,338	84,99,840
2 Current Assets			
(a) Inventories	2.07	13,29,099	40,77,483
(b) Trade Receivables	2.08	-	9,50,617
(c) Cash and Cash Equivalents	2.09	13,94,182	4,63,558
(d) Short-Term Loans and Advances	2.10	1,34,33,875	1,51,33,849
TOTAL		2,01,68,807	2,91,27,537
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		1 & 2	

For and on behalf of Board of Directors

As per our report of even date for VASUDEV PAI & CO.
Chartered Accountants
Firm Registration No. 004560S

Director Director

T. VASUDEV PAI
Proprietor
Membership No. 020906

Place : Bangalore
Date : 23.05.2014

Statement of Profit and Loss for the year ended 31.03.2014

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
I Revenue:			
Revenue from Operations			
- Income from Recovery of Decreed Assets		87,548	50,000
- Supervision charges received		1,83,429	4,17,602
Other income	2.11	26,681	12,970
Total Revenue		2,97,658	4,80,572
II. Expenses:			
Other expenses	2.12	4,46,554	25,81,134
Depreciation	2.05	876	1,460
Total Expenses		4,47,430	25,82,594
III. Profit/ (Loss) before exceptional Items & tax (I-II)		(1,49,772)	(21,02,022)
IV. Exceptional Items		2.13	(85,20,573)
Profit/ (Loss) before tax (III-IV)		(86,70,345)	(21,02,022)
V. Tax Expense:			
(1) Deferred Tax		193	255
(2) Excess/(Short) Provision of Taxes		(80,141)	-
VI. Profit/ (Loss) after tax (IV - V)		(87,50,293)	(21,01,767)
VII. Earnings per equity share:			
(1) Basic		(1.74)	(0.42)
(2) Diluted		(1.74)	(0.42)
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		1 & 2	

For and on behalf of Board of Directors

As per our report of even date for VASUDEV PAI & CO.
Chartered Accountants
Firm Registration No. 004560S

Director Director

T. VASUDEV PAI
Proprietor
Membership No. 020906

Place : Bangalore
Date : 23.05.2014



NOTE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014

1. Significant Accounting policies:

1.1 **Basis of Accounting:** The accounts are prepared under the historical cost convention and also in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and the Provisions of the Act, as adopted consistently by the Company on the basis of a going concern.

1.2 **Revenue Recognition:** All income and expenditure which have material bearing on the financial statements are recognised on accrual basis. The Dividend on investments has been accounted on receipt basis.

1.3 Tangible Assets and Depreciation:

i) Tangible assets are stated at cost of acquisition less accumulated depreciation. Cost comprises the purchase price and any directly attributable costs of bringing the assets to their working condition for their intended use.

ii) Losses arising from the retirement of, or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

iii) Depreciation is provided under the "Written Down Value Method" at rates provided by Schedule XIV to the Act.

iv) Depreciation on additions/ deletions during the year is provided on pro-rata basis.

v) Assets individually costing up to Rs. 5000/- are fully depreciated in the year of purchase.

1.4 **Investments:** Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

1.5 **Impairment of assets:** Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the assets are identified and impairment loss is recognised if it is material.

1.6 **Employee benefits:** Employees appointed on other than contractual basis are entitled to benefits such as Employees Provident Fund, Gratuity, Super Annuity, Employee State Insurance and Employee Pension Scheme, wherever applicable, but subject to deduction of statutory taxes. Company contributions to the respective regulatory authorities are referred to the Statement of Profit & Loss.

1.7 Provision for Income Tax and Deferred Tax:

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

1.8 **Earnings per Share:** Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the period.

1.9 **Exceptional Items:** Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year.

1.10 **Cash and Cash Equivalents:** In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities.

Note 2.05 - Fixed Assets	Gross Block		Accumulated Depreciation		Net Block	
	Balance as at 1 April 2013	Additions/ (Disposals)	Balance as at 1 April 2013	Rate of Depreciation	Balance as at 31 March 2014	Depreciation charge for the year
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Fixed Assets						
Intangible Assets						
Software	16,500	-	14,311	40%	15,187	876
Total	16,500	-	14,311		15,187	876
					Balance as at 31 March 2014	Rs.
					1,313	1,313
					Balance as at 31 March 2013	Rs.
					2,189	2,189

2. NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 2.01 : Share Capital

Sub Note A : Authorised, Issued, Subscribed and Paid up Share Capital

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10/- each	5500000	5,50,00,000	5500000	5,50,00,000
	5500000	5,50,00,000	5500000	5,50,00,000
Issued				
Equity Shares of Rs.10/- each	5025800	5,02,58,000	5025800	5,02,58,000
	5025800	5,02,58,000	5025800	5,02,58,000
Subscribed & Paid up				
Equity Shares of Rs.10/- each fully paid	5025800	5,02,58,000	5025800	5,02,58,000
	5025800	5,02,58,000	5025800	5,02,58,000
Total	5025800	5,02,58,000	5025800	5,02,58,000

1. There was no issue / buy back of shares of the nature mentioned in clause (i) of note 6A of general instructions to Schedule VI in the last five years.

Sub Note B : Reconciliation of number of Shares at the beginning and end of the year (Amount in Rs.)

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5025800	5,02,58,000	-	-
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5025800	5,02,58,000	-	-

Sub Note C : Shares in the Company held by each shareholder

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Maha Reshtra Apex Corporation Ltd	5025100	99.99%	5025100	99.99%

Note 2.02 : Reserves & Surplus

(Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
a. General Reserve		
Opening balance	14,71,275	14,71,275
Closing balance	14,71,275	14,71,275
b. Surplus		
Opening balance	(2,34,11,881)	(2,13,10,114)
Net Profit/(Net Loss) For the current year	(87,50,293)	(21,01,767)
Closing Balance	(3,21,62,174)	(2,34,11,881)
Total	(3,06,90,899)	(2,19,40,606)

Note 2.03 : Deferred Tax Liabilities (Net)

(Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
Deferred Tax Liabilities	546	801
Deferred Tax Assets	(193)	(255)
Deferred Tax Liabilities (Net)	353	546

Note 2.04 : Other Current Liabilities

(Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
(a) Expenses payable	5,75,298	6,75,768
(b) Other payables		
Statutory dues payable	-	1,33,829
Total	5,75,298	8,09,597

MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED



Note 2.06 : Non Current Investments Sub Note A : Investments					Note 2.11 : Other Income		
(Amount in Rs.)					(Amount in Rs.)		
Particulars	As at 31st March 2014		As at 31st March 2013		Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
	Number	Amount	Number	Amount			
Long Term Investments (Valued at Cost)					Interest received	26,681	12,970
Unquoted Shares					TOTAL	26,681	12,970
Manipal Motors Pvt Ltd (Equity Shares of Rs. 10/- each fully paid)	152000	15,27,600	152000	15,27,600	Note 2.12 : Other Expenses		
Canara Steel Limited (Equity Shares of Rs. 10/- each fully paid)	400000	40,00,000	0	-	(Amount in Rs.)		
Associate Companies:					Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Manipal Springs Ltd (Equity Shares of Rs. 100/- each fully paid)	32000	32,16,000	32000	32,16,000	a. Legal & Professional charges	44,380	61,000
Bhooma Automobiles Pvt Ltd 1 (Equity Shares of Rs. 10/- each fully paid)	849800	84,98,000	849800	84,98,000	b. Bank charges	655	11,765
Less: Provision for diminution in value of investment		1,32,31,262		(47,41,760)	c. Payment to Auditor as i) Auditor	28,679	28,678
					d. Rates & Taxes	13,185	-
					e. Rent paid	51,000	1,41,000
					f. Compensation charges paid	21,000	21,000
					g. Miscellaneous Expenses	72,108	1,49,327
					h. Decree Assets Recovery Expenses	42,771	43,551
					i. Bad Debts written off	1,72,775	21,24,813
TOTAL		40,10,338		84,99,840	TOTAL	4,46,554	25,81,134
1. This investment has been reported to be sent for transfer and yet to be registered in the name of the Company.					Note 2.13 : Exceptional Items		
Sub Note B : Aggregate amount					(Amount in Rs.)		
Particulars	As at 31st March 2014		As at 31st March 2013		Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
a) Aggregate amount of unquoted investments (Net of Provision)	40,10,338		84,99,840		(A) Exceptional Income:		
Sub Note C : Details of provision for diminution in value of investments					Provision no longer required		
(Amount in Rs.)					a. Provision for diminution in value of investment		
Particulars	As at 31st March 2014		As at 31st March 2013		Total - A	-	-
Non-Trade, Unquoted					(B) Exceptional Expenses:		
(a) Manipal Motors Pvt. Ltd.		15,26,080		15,26,080	Write offs & Provision against diminution/ Loss in value of Investments		
(b) Manipal Springs Ltd		32,15,680		32,15,680	a. Sundry Balances written off	31,071	-
(c) Bhooma Automobiles Pvt Ltd		84,89,502		-	b. Loss of investment in Partnership Firm	-	-
		1,32,31,262		47,41,760	c. Provision for diminution in value of investments	84,89,502	-
Note 2.07 : Inventories					Total - B	85,20,573	-
(Amount in Rs.)					Total - (B - A)		
Particulars	As at 31st March 2014		As at 31st March 2013		Net Exceptional Expenses/ (Income)		
Stock-in-Trade - Decree Debts (Valued at the lower value of cost or realisable value)	13,29,099		40,77,483				
Note 2.08 : Trade Receivables					(Amount in Rs.)		
Particulars	As at 31st March 2014		As at 31st March 2013		ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956		
Trade receivables outstanding for a period less than six months from the date they are due for payment					BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:		
- Unsecured, considered good					1. REGISTRATION DETAILS:		
Total					Registration No. : U85110KA1995PLC01688		
Note 2.09 : Cash and Cash Equivalents					State Code : 08		
(Amount in Rs.)					Balance Sheet date : 31.03.2014		
Particulars	As at 31st March 2014		As at 31st March 2013		2. CAPITAL RAISED DURING THE YEAR:		
a. Balances with banks - in Current Account	13,88,261		4,49,594		Public Issue : Nil		
b. Cash on hand	5,921		13,964		Rights Issue : Nil		
TOTAL	13,94,182		4,63,558		Bonus Issue : Nil		
Note 2.10 : Short-Term Loans and Advances					Private Placement : Nil		
(Amount in Rs.)					Further Issue : Nil		
Particulars	As at 31st March 2014		As at 31st March 2013		3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS		
a) Loans & Advances to Related Parties					Total Equity & Liabilities : 20168807		
Unsecured, considered good	1,10,37,181		1,42,96,286		Total Assets : 20168807		
Due from Holding Company	1,02,72,581		-		Equity & Liabilities:		
Due from Associate Company	7,64,600		-		Shareholders' Fund : 19567101		
b) Loans & Advances to Others					Non-Current Liabilities : 353		
Unsecured, considered good	20,00,000		4,00,000		Current Liabilities : 601353		
Prepaid Expenses	-		20,000		Assets:		
Advance Tax & TDS	3,96,694		4,17,563		Non-Current Assets : 4011651		
TOTAL	1,34,33,875		1,51,33,849		Current Assets : 16157156		
4. PERFORMANCE OF COMPANY:					Turnover : 297658		
a) Loans & Advances to Related Parties					Total Expenditure : 447430		
Unsecured, considered good	1,10,37,181		1,42,96,286		Profit/(loss) before Tax : (8670345)		
Due from Holding Company	1,02,72,581		-		Profit/(loss) after Tax : (8750293)		
Due from Associate Company	7,64,600		-		Earning per Share (Rs.) : (1.74)		
b) Loans & Advances to Others					Dividend Rate : -		
Unsecured, considered good	20,00,000		4,00,000		5. Generic names of three principal products/ services of Company :		
Prepaid Expenses	-		20,000		Services - Others		
Advance Tax & TDS	3,96,694		4,17,563		For and on behalf of Board of Directors		
TOTAL	1,34,33,875		1,51,33,849		Place: Bangalore		
5. Generic names of three principal products/ services of Company :					Date: 23.05.2014		
					DIRECTOR DIRECTOR		



NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of E'Dorado Investments Co. Pvt. Ltd. will be held on Monday the 30th June 2014 at 10.30 A M at the Registered Office of the Company at 507, Vardhaman Chambers, 5th Floor, 17/6, Cawasji Patel Street, Mumbai - 400 023 to transact the following business:

AGENDA

- To receive, consider, approve and adopt the audited Balance Sheet as at 31st March 2014, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Report of Directors and the Auditors thereon.
- To appoint M/s. Vasudev Pai & Co., Chartered Accountants, (Firm Regn No : 004560S) as Statutory Auditors of the Company, who shall hold the office from the conclusion of this meeting till the conclusion of the sixth annual general meeting hereafter, subject to ratification in every annual general meeting till sixth such meeting on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors.

Place: Bangalore
Date : 23.05.2014
Note:

By Order of the Board of Directors,
Director

- 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.
- The proxy in order to be effective must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.

DIRECTORS' REPORT

To
The Members,
Your Directors have pleasure in presenting herewith the Twenty Eighth Annual Report together with the Audited Accounts of the Company for the year ended on 31st March 2014.

WORKING

Your Directors are to report that the operational results of the Company for the FY: 2013-14 are given below:

Particulars	(Amount in Rs.)	
	As at 31.03.2014	As at 31.03.2013
Gross Revenue	1695112	1482158
Less: Expenditure including Exceptional Items	(580586)	1205181
Profit / (Loss) before Tax	2275698	276977
Less / (Add) : Provision for Taxation	200000	117942
Net Profit / (Loss) after Tax	2075698	159035

Your Directors continue their efforts to improve the working of the Company.

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:

In compliance of Section 217 (2AA), as incorporated by the Companies (Amendment) Act, 2008, in the Companies Act, 1956, your directors confirm that:

- In the preparation of the accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Board has 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 of the Company for the year under review;
- The Board has taken proper and sufficient care of the 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 fraud and other irregularities;
- The Board has prepared the Annual Accounts for the financial year ended 31st March 2014 on a 'going concern' basis.

AUDITORS REPORT:

The observations of Auditors are self-explanatory in nature, and therefore these do not call for any further comments.

SECRETARIAL COMPLIANCE CERTIFICATE:

In terms of Section 383(A) of the Act, the Company has obtained a Secretarial Compliance Report from a Practising whole time Company Secretary and it is enclosed.

DEPOSITS:

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Act, and the Rules made there under.

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

Information on Conservation of Energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217(1)(e) of the Act, read with the Rules, is not applicable since there is no such activity being pursued by the Company.

PARTICULARS OF EMPLOYEES:

In terms of notification dated 31.03.2011 issued by the Ministry of Corporate Affairs, Government of India, there are no Employees of the category mentioned in Section 217(2A) of the Act, in respect of whom the particulars are required to be given.

AUDITORS:

M/s. Vasudev Pai & Co., Chartered Accountants, (Firm Regn No : 004560S), who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s Vasudev Pai & Co. as statutory auditors of the Company from the conclusions of the forthcoming Annual General Meeting till the conclusion of the Sixth Annual General Meeting hereafter, subject to ratification of their appointment at every Annual General Meeting.

Place : Bangalore
Date : 23.05.2014

On Behalf of the Board of Directors
Director Director

VASUDEV PAI & CO.
Chartered Accountants

AUDITOR'S REPORT

To the Members of El Dorado Investments Company Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of EIDorado Investments Company Private Limited, ("the Company") which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for theyear then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Act ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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

Our responsibility is to express an opinion on these financial statements based on our audit. 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 and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- in the case of the Statement of Profit and Loss, of the PROFIT of the Company for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion proper books of account as required by law have been kept by the Company so far as it 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, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act;
- On the basis of the written representations received from the directors as on 31st March, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act;

For Vasudev Pai & Co. or Vasudev Pai & Co.,
Chartered Accountants
Firm's Registration Number:004560S

(T VASUDEV PAI)
(PROPRIETOR)
Membership Number:020906

Place: Bangalore
Date: 23.05.2014

ANNEXURE TO THE AUDITOR'S REPORT Referred to in paragraph 1 of our Report of even date:

- The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The fixed assets are physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
 - During the year, the Company has not disposed of a substantial part of fixed assets, which will affect the Company as a going concern.
- The Company does not have any inventory at the end of the year, hence the provisions of Clause 4(ii) are not applicable to the Company during the year.

E'LDORADO INVESTMENTS COMPANY PVT. LTD.



3. (a) During the year, the Company has not granted secured or unsecured loans to Firms or Other Parties covered under Section 301 of the Act, except interest free unsecured advance to its Holding, Subsidiary and Associate Companies and the balance outstanding as receivable as at 31st March 2014 are Rs. 23.48 lakhs (PY: Rs. 1.34 lakhs), Rs. 52.20 lakhs (PY: Rs. 52.20 lakhs) and Rs. 1.06 lakhs (PY: Rs. 1.06 lakhs) respectively and the maximum balance outstanding during the year are Rs. 23.48 lakhs, Rs. 52.20 lakhs and Rs. 1.06 lakhs respectively (PY: Rs. 22.22 lakhs, Rs. 52.20 lakhs and Rs. 1.06 lakhs).
- (b) The terms and conditions of such advances are not, in our opinion, prima facie, prejudicial to the interest of the Company.
- (c) There is no stipulation in respect of repayment of the above-referred advances.
- (d) In the absence of the repayment terms and conditions, we are unable to form an opinion about its recoverability from Subsidiary & Associate Companies.
- (e) The Company has not taken secured or unsecured loans from Firms or Other Parties covered under Section 301 of the Act, except interest free unsecured advance from Associate Company and the balance outstanding as payable as at 31st March 2014 is Rs. 15.76 lakhs (PY: Rs. 15.75 lakhs) and the maximum balance outstanding during the year is Rs. 15.76 lakhs (PY: Rs. 15.75 lakhs).
- (f) The terms and conditions of such advances are not, in our opinion, prima facie, prejudicial to the interest of the Company.
- (g) There is no stipulation in respect of repayment of the above-referred advances.
4. In our opinion, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets and for the recovery of lease rentals and services. The Company's operations do not involve purchase of inventory and sale of goods. During the course of audit, no major weakness has been noticed in the internal control system.
5. According to the information and explanations given to us:
- a) There have been no contracts or arrangements during the year that need be entered in the register maintained under Section 301 of the Act.
- b) There are no transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs. 5,00,000/- in respect of any Party during the year.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A & 58AA of the Act and rules framed there under.
7. The Internal audit functions have been carried out during the year by the staff of the Holding Company appointed by the management, which has been commensurate with the size of the Company and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Act for any of the products of the Company.
9. i) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Professional Tax and other Statutory Dues applicable to it with the appropriate authorities and there are no arrears under the above head which were due for more than six months from the date they became payable as at the close of the year.
- ii) Keeping in view the present operations of the Company, the statutes relating to Sales Tax, Service Tax, Provident Fund, Employees State Insurance, Customs Duty, Excise Duty, Investors Education and Protection Fund and Cess are not applicable to the Company.
- iii) There are no dues of Income Tax, Wealth Tax, Profession Tax and Cess have been disputed and lying pending as at the close of the year.
10. The Company has accumulated losses under Reserves & Surplus as at 31st March 2014 which does not exceed 50% of its net worth. The Company has not incurred cash losses during the current financial year and also in the immediately preceding financial year.
11. The Company has not borrowed any amounts from banks, financial institutions or from debenture holders during the year under Audit. Therefore, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
13. As the provisions of any special statute applicable to chit fund/ nidhi/mutual benefit fund/societies are applicable to the Company, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company. However, the long term investments which have been held by the Company are in its own name.
15. The Company has not given guarantee for loans taken by others from Banks and financial institutions. Accordingly, the provisions of Clause 4(v) of the Order are not applicable to the Company.
16. The Company has not availed any Term loan during the year. Therefore, the provisions of clause 4(vii) of the Order are not applicable to the company.
17. According to the information and explanations given to us, during the year no funds have been raised on short-term basis, which have been utilized for any long-term investment purpose.
18. The Company has not made any preferential allotment of shares to Parties and Companies covered in the Register maintained under Section 301 of the Act during the year. Accordingly, the provisions of 4(xviii) of the Order are not applicable to the Company.
19. The Company has not issued any debenture during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of 4(xix) of the Order are not applicable to the Company.
20. The Company has not raised any money by public issues during the year. Accordingly, the provisions of 4(xx) of the Order are not applicable to the Company.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company noticed or reported during the year, nor have we been informed of any such case by the Management.

For Vasudev Pai & Co,
Chartered Accountants
Firm's Registration Number:004560S

(T VASUDEV PAI)
(PROPRIETOR)
Membership Number:020906

Place : Bangalore
Date : 23.05.2014

Balance Sheet as at 31.03.2014

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.01	1,00,20,000	1,00,20,000
(b) Reserves and Surplus	2.02	60,74,781	39,99,083
2 Current Liabilities			
(a) Short-Term Borrowings	2.03	67,82,495	67,81,495
(b) Other Current Liabilities	2.04	53,000	53,000
(c) Short-Term Provisions	2.05	3,02,370	1,02,370
TOTAL		2,32,32,646	2,09,55,948
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(I) Tangible Assets	2.06	27,14,794	28,57,678
(b) Non-Current Investments	2.07	23,79,550	22,86,771
2 Current Assets			
(a) Trade Receivables	2.08	1,18,875	1,28,875
(b) Cash and Cash Equivalents	2.09	2,30,558	3,97,300
(c) Short-Term Loans and Advances	2.10	1,52,09,891	1,26,71,524
(d) Other Current Assets	2.11	25,78,977	26,13,800
TOTAL		2,32,32,646	2,09,55,948
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		1 & 2	

For and on behalf of Board of Directors
Director Director
Place : Bangalore
Date : 23.05.2014

As per our report of even date
For VASUDEV PAI & CO.,
Chartered Accountant
Firm Registration No. 004560S
(T VASUDEV PAI)
Proprietor
Membership No. 020906

Statement of Profit and Loss for the year ended 31.03.2014

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
I. Revenue:			
Revenue from Operations			
- Professional Charges Received		5,85,000	5,85,000
- Rent Receipts		84,000	84,000
Other income	2.12	10,26,112	8,13,158
Total Revenue		16,95,112	14,82,158
II. Expenses:			
Other expenses	2.13	10,63,698	11,54,655
Depreciation	2.06	1,42,884	1,50,404
Total Expenses		12,06,582	13,05,059
III. Profit/(Loss) before Exceptional Items and Prior Period Items & tax (I-II)		4,88,531	1,77,099
IV. Exceptional Items	2.14	17,87,167	99,878
V. Profit/(Loss) before tax (III-IV)		22,75,698	2,76,977
VI. Tax Expense:			
(1) Current Tax		(2,00,000)	(68,000)
(2) Excess/(Short) provision of Income Tax		-	(49,942)
VII. Profit/(Loss) after tax (V - VI)		20,75,698	1,59,035
VIII. Earnings per equity share:			
(1) Basic		2.08	0.16
(2) Diluted		2.08	0.16
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		1 & 2	

For and on behalf of Board of Directors
Director Director
Place : Bangalore
Date : 23.05.2014

As per our report of even date
For VASUDEV PAI & CO.,
Chartered Accountant
Firm Registration No. 004560S
(T VASUDEV PAI)
Proprietor
Membership No. 020906

NOTE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014.

1. Significant Accounting policies:

1.1 Basis of Accounting:

The accounts are prepared under the historical cost convention and also in accordance with the accounting standard issued by the Institute of Chartered Accountants of India and the Provisions of the Companies Act, 1956 as adopted consistently by the Company on the basis of a going concern.

1.2 Revenue Recognition:

All income and expenditure which have material bearing on the financial statements are recognised on accrual basis. The Dividend on investments has been accounted on receipt basis.

1.3 Tangible Assets and Depreciation:

- Tangible assets are stated at cost of acquisition less accumulated depreciation. Cost comprises the purchase price and any directly attributable costs of bringing the assets to their working condition for their intended use.
- Depreciation is provided under the "Written Down Value Method" at rates provided by Schedule XIV to the Act.

1.4 Investments:

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

1.5 Provision for Income Tax and Deferred Tax:

Provision for Income Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act 1961.

1.6 Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity share outstanding during the period.

1.7 Exceptional Items:

Exceptional items are generally non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year.

1.8 Cash and Cash Equivalents:

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities.

Note 2.06 : Fixed Assets	Gross Block		Accumulated Depreciation		Net Block	
	Balance as at 1, April 2013	Balance as at 31, March 2014	Balance as at 1, April 2013	Depreciation charge for the year	Balance as at 31, March 2013	Balance as at 31, March 2014
Fixed Assets						
	₹	₹	₹	₹	₹	₹
	1,05,10,530	1,05,10,530	76,52,852	1,42,884	28,57,678	27,14,794
Tangible Assets						
Building	1,05,10,530	1,05,10,530	76,52,852	1,42,884	28,57,678	27,14,794
Total	1,05,10,530	1,05,10,530	76,52,852	1,42,884	28,57,678	27,14,794

2. NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 2.01 : Share Capital

Sub Note A : Authorised, Issued, Subscribed and Paid up Share Capital

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10/- each	1000000	1,00,00,000	1000000	1,00,00,000
13.5% Redeemable Non-Cumulative Preference Shares of 100/- each	305000	3,05,00,000	305000	3,05,00,000
Issued				
Equity Shares of Rs.10/- each	1000000	1,00,00,000	1000000	1,00,00,000
13.5% Redeemable Non-Cumulative Preference Shares of 100/- each	200	20,000	200	20,000
	1000200	1,00,20,000	1000200	1,00,20,000
Subscribed & Paid up				
Equity Shares of Rs.10/- each fully paid	1000000	1,00,00,000	1000000	1,00,00,000
13.5% Redeemable Non-Cumulative Preference Shares of 100/- each fully paid up	200	20,000	200	20,000
Total	1000200	1,00,20,000	1000200	1,00,20,000

1. There was no issue / buy back of shares of the nature mentioned in clause (i) of note 6A of general instructions to Schedule VI in the last five years.

Sub Note B : Reconciliation of number of Shares at the beginning and end of the year

(Amount in Rs.)

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1000000	1,00,00,000	200	20,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1000000	1,00,00,000	200	20,000

Sub Note C : Shares in the Company held by each shareholder

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Associate Company				
Crimson Estate & Properties Pvt Ltd	240000	24%	240000	24%
Holding Company				
Maha Rashtra Apex Corporation Ltd	760000	76%	760000	76%

Note 2.02 : Reserves & Surplus

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
a. General Reserve				
Opening Balance		97,88,258		97,88,258
(-) Written Back in Current Year		-		-
Closing Balance		97,88,258		97,88,258
b. Surplus				
Opening balance	(57,89,175)		(59,48,210)	
Net Profit/(Net Loss) For the current year	20,75,698		1,59,035	
Closing Balance	(37,13,478)		(57,89,175)	
Total		60,74,781		39,99,083

Note 2.03 : Short Term Borrowings

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
Loans & Advances from Related Parties				
Unsecured				
(a) Amount due to Associate Company		15,75,895		15,74,895
Loans & Advances from Others				
Unsecured				
(a) Advance received for sale of Property		52,00,000		52,00,000
(b) Others		6,600		6,600
		<u>67,82,495</u>		<u>67,81,495</u>

Note 2.04 : Other Current Liabilities

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
(a) Expenses payable		53,000		53,000
(b) Other payables		-		-
TDS Payable		-		-
Total		53,000		53,000

Note 2.05 : Short Term Provisions

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
(a) Others				
Provision for Taxation		3,02,370		1,02,370
Total		3,02,370		1,02,370



Note 2.07 : Non Current Investments				Note 2.12 : Other Income		
Sub Note A : Investments				(Amount in Rs.)		
Particulars		As at 31st March 2014		As at 31st March 2013		(Amount in Rs.)
		Number	Amount	Number	Amount	
a) Investments in Equity Instruments						
Unquoted Shares (at Cost)						
Associate Company:						
Brooklyn Hills & Properties Pvt. Ltd.	490	49,000	490	49,000		
(Equity Shares of Rs. 100/- each fully paid)						
Subsidiary Companies:						
E' Dorado Shares Services Pvt. Ltd.	89980	8,99,800	89980	8,99,800		
(Equity Shares of Rs. 10/- each fully paid)						
Dagny Investments Pvt. Ltd	0	-	170000	17,00,000		
(Equity Shares of Rs. 10/- each fully paid)						
Less: Provision for diminution in value of investment						
		(4,84,498)		(22,77,277)		
TOTAL - A		4,64,302		3,71,523		
b) Investment in Properties						
Land & Building		19,15,248		19,15,248		
TOTAL - B		19,15,248		19,15,248		
TOTAL (A+B)		23,79,550		22,86,771		
Sub Note B : Aggregate amount				(Amount in Rs.)		
Particulars		As at 31st March 2014		As at 31st March 2013		
a) Aggregate amount of unquoted investments (net of Provisions)		4,64,302		3,71,523		
Sub Note C : Details of provision for diminution in value of investments						
(Amount in Rs.)						
Particulars		As at 31st March 2014		As at 31st March 2013		
Non-Trade, Unquoted						
(a) Brooklyn Hills & Properties Pvt. Ltd.		48,995		48,995		
(b) E' Dorado Share Services Pvt Ltd		4,35,503		5,30,882		
(c) Dagny Investments Pvt Ltd		-		16,98,300		
Total		4,84,498		22,78,177		
Note 2.08 : Trade Receivables				(Amount in Rs.)		
Particulars		As at 31st March 2014		As at 31st March 2013		
Trade receivables outstanding for a period less than six months from the date they are due for payment						
- Unsecured, considered good		1,18,875		1,28,875		
Total		1,18,875		1,28,875		
Note 2.09 : Cash and Cash Equivalents				(Amount in Rs.)		
Particulars		As at 31st March 2014		As at 31st March 2013		
a. Balances with banks						
- in Current Account		2,09,749		3,73,034		
- in Inoperative Current Account		18,722		18,722		
b. Cash on hand		2,087		5,543		
Total		2,30,558		3,97,300		
Note 2.10 : Short-Term Loans and Advances				(Amount in Rs.)		
Particulars		As at 31st March 2014		As at 31st March 2013		
a) Loans & Advances to Related Parties						
Unsecured, considered good						
Holding Company	23,47,944		1,34,465			
Associate Company	1,06,036		1,06,036			
Subsidiary Company up to 25.09.13	52,20,388		52,20,388			
b) Loans & Advances to Others						
Unsecured, considered good						
		75,35,523		72,10,635		
TOTAL		1,52,09,891		1,26,71,524		
Note 2.11 : Other Current Assets				(Amount in Rs.)		
Particulars		As at 31st March 2014		As at 31st March 2013		
Deposits with Others						
Advance Tax & TDS		11,94,260		11,94,260		
Deferred Revenue Expenses *		11,79,717		10,09,540		
Opening Balance	4,10,000		6,15,000			
Less: Amortized	(2,05,000)	(2,05,000)	2,05,000	4,10,000		
TOTAL		25,78,977		26,13,800		
* The Company has paid to Rs. 1025000/- to the Society towards major repairs and treated as Deferred Revenue Expenses and written off over for a period of five years with effect from FY: 2010-11.						
Particulars			For the year ended 31st March 2014		For the year ended 31st March 2013	
Compensation charges received			10,20,000		8,03,000	
Miscellaneous Receipts			6,112		10,158	
Total			10,26,112		8,13,158	
Note 2.13 : Other Expenses				(Amount in Rs.)		
Particulars		For the year ended 31st March 2014		For the year ended 31st March 2013		
a. Legal & Professional charges						
		3,19,480		4,66,186		
b. Society Maintenance Charges						
		1,42,276		1,19,692		
c. Repairs & Maintenance						
		1,26,992		1,64,059		
d. Repairs & Maintenance (Letout property)						
		21,612		15,612		
e. Payment to Auditor as						
I) Auditor		29,214		29,090		
f. Property Tax Paid		30,395		3,288		
g. Filing Fees paid		-		17,500		
h. Miscellaneous Expenses		68,729		14,228		
i. Compensation Charges paid		1,20,000		1,20,000		
j. Deferred Revenue Expenses amortized		2,05,000		2,05,000		
Total			10,63,698		11,54,655	
Note 2.14 : Exceptional Income & Expenses				(Amount in Rs.)		
Particulars		For the year ended 31st March 2014		For the year ended 31st March 2013		
(A) Exceptional Income:						
Provision no longer required						
a. Provision for diminution in value of investment		17,92,779		99,878		
Total - A			17,92,779		99,878	
(B) Exceptional Expenses:						
Write offs & Provision against diminution/ Loss in value of Investments						
a. Sundry Balances written off		5,612		-		
b. Loss of investment in Partnership Firm		-		-		
c. Loss on Investments		-		-		
Total - B			5,612		-	
Net Exceptional Expenses/ (Income)						
Total - (B - A)			(17,87,167)		(99,878)	
ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956						
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:						
1. REGISTRATION DETAILS:						
Registration No.	:	U65910MH1986PTC039904				
State Code	:	11				
Balance Sheet date	:	31.03.2014				
2. CAPITAL RAISED DURING THE YEAR:						
Public Issue	:	Nil				
Rights Issue	:	Nil				
Bonus Issue	:	Nil				
Private Placement	:	Nil				
Further Issue	:	Nil				
3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS:						
						(Amount in Rs.)
Total Equity & Liabilities						:
23232646						
Total Assets						:
23232646						
Equity & Liabilities:						
Shareholders' Fund	:	16094781				
Current Liabilities	:	7137865				
Assets:						
Non-Current Assets	:	5094345				
Current Assets	:	18138301				
4. PERFORMANCE OF COMPANY:						
Turnover	:	1695112				
Total Expenditure	:	1206582				
Profit/(loss) before Tax	:	2275698				
Profit/(loss) after Tax	:	2075698				
Earning per Share (Rs.)	:	2.08				
Dividend Rate	:	-				
5. Generic names of three principal products/services of Company						
Services - Others						
Place: Bangalore						
Date: 23.05.2014						
					For and on behalf of Board of Directors	
					DIRECTOR DIRECTOR	



NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of CRIMSON ESTATE & PROPERTIES PRIVATE LIMITED will be held on Monday the 30th Day of June 2014 at 3.00 pm at the Registered Office of the Company at 315, Dalamal Towers, Nariman Point, Mumbai to transact the following business:

AGENDA

- To receive, consider, approve and adopt the audited Balance Sheet as at 31st March 2014, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Report of Directors and the Auditors thereon.
- To appoint M/s. Vasudev Pai & Co., Chartered Accountants, (Firm Regn No: 004560S) as Statutory Auditors of the Company, who shall hold the office from the conclusion of this meeting till the conclusion of the sixth annual general meeting hereafter, subject to ratification in every annual general meeting till sixth such meeting on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors.

Place: Bangalore
Date: 23.05.2014

By Order of the Board of Directors,
Director

Note:

- 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.
- The proxy in order to be effective must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.

DIRECTORS' REPORT

To
The Members,
The Board of Directors is pleased to present the Twenty Seventh Annual Report together with Audited Financial Statement of Accounts of the Company for the year ended on 31st March 2014

WORKING

The Board is to report that during the year, the operation of the Company results in a Net Profit of Rs.20.30 lakhs (PY: Net Loss Rs. 6.34 lakhs) after meeting necessary expenditure and provision for taxation.

Your Directors continue their efforts to improve the working of the Company.

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956:

In compliance of Section 217 (2AA), as incorporated by the Companies (Amendment) Act, 2000, in the Companies Act, 1956, your directors confirm that:

- In the preparation of the accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Board has 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 of the Company for the year under review;
- The Board has taken proper and sufficient care of the 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 fraud and other irregularities;
- The Board has prepared the Annual Accounts for the financial year ended 31st March 2014 on a 'going concern' basis.

SECRETARIAL COMPLIANCE CERTIFICATE:

In terms of Section 383(A) of the Companies Act, 1956, the Company has obtained a Secretarial Compliance Report from a Practising whole time Company Secretary and same is enclosed.

AUDITORS REPORT:

The observations of Auditors are self-explanatory in nature, and therefore these do not call for any further comments.

DEPOSITS:

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

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

Information on Conservation of Energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable since there is no such activity being pursued by the Company.

PARTICULARS OF EMPLOYEES:

In terms of notification dated 31.03.2011 issued by the Ministry of Corporate Affairs, Government of India, there are no Employees of the category mentioned in Section 217(2A) of the Companies Act, 1956, in respect of whom the particulars are required to be given.

AUDITORS:

M/s. Vasudev Pai & Co., Chartered Accountants, (Firm Regn No: 004560S), who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s Vasudev Pai & Co. as statutory auditors of the Company from the conclusions of the forthcoming Annual General Meeting till the conclusion of the Sixth Annual General Meeting hereafter, subject to ratification of their appointment at every Annual General Meeting.

On Behalf of the Board of Directors

Place : Bangalore
Date : 23.05.2014

Director Director

VASUDEV PAI & CO.
Chartered Accountants

AUDITORS REPORT

To the Members of Crimson Estates & Properties Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Crimson Estates & Properties Pvt Ltd, ("the Company") which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for theyear then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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

Our responsibility is to express an opinion on these financial statements based on our audit. 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 and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- in the case of the Statement of Profit and Loss, of the PROFIT of the Company for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- In our opinion proper books of account as required by law have been kept by the Company so far as it 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, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
- On the basis of the written representations received from the directors as on 31st March, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Vasudev Pai & Co,
Chartered Accountants
Firm's Registration Number: 004560S

(T VASUDEV PAI)
(PROPRIETOR)
Membership Number: 020906

Place : Bangalore
Date: 23.05.2014

ANNEXURE TO THE AUDITOR'S REPORT Referred to in paragraph 1 of our Report of even date

- The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed asset.
 - The fixed assets are physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
 - During the year, the Company has not disposed of a substantial part of fixed assets, which will affect the Company as a going concern.
- (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.



(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the records of inventory, the Company has maintained proper records of inventory. No material discrepancies were noticed on physical verification of inventory as compared to book records.

3. A. (a) The Company has not granted loans secured or unsecured to Firms covered in the Register maintained under Section 301 of the Act. However, an interest free advance of Rs. 63.17 lakhs (PY: Rs. 31.40 lakhs) and Rs. Nil (PY: Rs. 5.00 lakhs) are outstanding from Holding & Associate Companies and Ex-Director respectively covered in the Register maintained under Section 301 of the Act. The maximum balance outstanding is Rs. 63.17 lakhs and Rs. 5.00 lakhs respectively (PY: Rs. 51.03 lakhs and Rs. 5.00 lakhs).

(b) The terms and conditions of advance are not, in our opinion, prima facie, prejudicial to the interest of the Company.

(c) There are no stipulations in respect of repayment of principal amount of the above referred advances.

B. (a) During the year, the Company has not taken any loans secured or unsecured from Companies, Firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Therefore the provisions of Clause 4(iii)(e) to (g) of the said Order are not applicable to the Company.

4. In our opinion, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets and for the recovery of lease rentals. The Company's operations do not involve purchase of inventory and sale of goods. During the course of audit, no major weakness has been noticed in the internal control system.

5. According to the information and explanations given to us:
 a) There have been no contracts or arrangements during the year, that need be entered in the register maintained under Section 301 of the Act.
 b) There are no transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs. 5,00,000/- in respect of any Party during the year.

6. The Company has not accepted any deposits from the public within the meaning of Section 58A & 58AA of the Act and rules framed there under.

7. The Internal audit functions have been carried out during the year by the staff of the Holding Company appointed by the management, which has been commensurate with the size of the Company and nature of its business.

8. The Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Act for any of the products of the Company.

9. i) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income Tax, Service Tax and other Statutory Dues applicable to it though there has been a slight delay in a few cases, with the appropriate authorities and there were no arrears under the above head which were due for more than six months from the date they became payable as at the close of the year.
 ii) Keeping in view the present operations of the company, the statutes relating to Sales Tax, Provident Fund, Employees State Insurance, Customs Duty, Excise Duty, Investors Education and Protection Fund are not applicable to the Company.
 iii) There are no dues of Income Tax, and Service Tax, which have been disputed and lying pending as at the close of the year.

10. The Company has accumulated losses not exceeding 50% of its net worth as at the end of the year and has not incurred cash losses during the current financial year and also in the immediate preceding financial year.

11. The Company has not borrowed any amounts from banks, financial institutions or from debenture holders during the year under Audit. Therefore, the provisions of Clause 4(xi) of the Order are not applicable to the Company.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.

13. In our opinion the Company is not a Chit Fund, Nidhi or Mutual Benefit Fund/Society. Therefore the provisions of Clause 4(xiii) of the Order are not applicable to the Company.

14. The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company. However, the long term investments which have been held by the Company are in its own name.

15. The Company has not given guarantee for loans taken by others from Banks and financial institutions. Accordingly, the provisions of Clause 4(v) of the Order are not applicable to the Company.

16. The Company has not availed any Term loan during the year. Therefore, the provisions of clause 4(xvi) of the Order are not applicable to the company.

17. The Company has not raised any funds on short-term basis that have been used for long-term investment.

18. The Company has not made any preferential allotment of shares to Parties and Companies covered in the Register maintained under Section 301 of the Act during the year. Accordingly, the provisions of 4(xvii) of the Order are not applicable to the Company.

19. The Company has not issued any debenture during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of 4(xix) of the Order are not applicable to the Company.

20. The Company has not raised any money by public issues during the year. Accordingly, the provisions of 4(xx) of the Order are not applicable to the Company.

21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company noticed or reported during the year, nor have we been informed of any such case by the Management.

For Vasudev Pai & Co,
 Chartered Accountants
 Firm's Registration Number:0045605

 (T VASUDEV PAI)
 (PROPRIETOR)
 Membership Number:020906

Place : Bangalore
 Date : 23.05.2014

Balance Sheet as at 31.03.2014

Particulars	Note No.	(Amount in Rs.)	
		As at 31.03.2014	As at 31.03.2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.01	1,80,00,000	1,80,00,000
(b) Reserves and Surplus	2.02	(85,06,648)	(1,05,37,364)
2 Current Liabilities			
(a) Other current liabilities	2.03	6,49,090	9,44,895
(b) Short-term provisions	2.04	10,88,000	6,38,000
TOTAL		1,12,30,443	90,45,531
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(I) Tangible Assets	2.05	4,54,959	4,78,904
(b) Non-current Investments	2.06	24,00,000	29,45,120
(c) Long Term Loans & Advances	2.07	63,16,651	31,39,741
2 Current Assets			
(a) Inventories	2.08	7,800	7,800
(b) Trade Receivables	2.09	1,12,360	1,12,360
(c) Cash and cash equivalents	2.10	8,49,681	10,16,544
(d) Short-term loans and advances	2.11	10,88,992	13,45,062
TOTAL		1,12,30,443	90,45,531
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		1 & 2	

For and on behalf of Board of Directors
 Director Director
 Place : Bangalore
 Date : 23.05.2014
 As per our report of even date For VASUDEV PAI & CO., Chartered Accountant Firm Registration No. 0045605
 (T VASUDEV PAI)
 Proprietor
 Membership No. 020906

Statement of Profit and Loss for the year ended 31.03.2014

Particulars	Note No.	(Amount in Rs.)	
		As at 31.03.2014	As at 31.03.2013
I. Revenue:			
Revenue from Operations			
- Rent receipts		12,00,000	14,14,000
Other Income	2.12	11,58,129	53,186
Total Revenue		23,58,129	14,67,186
II. Expenses:			
Other expenses			
Depreciation and Amortization expenses	2.05	1,49,272	6,56,895
Total Expenses		23,945	25,205
		1,73,217	6,82,100
III. Profit/ (Loss) before tax (I-II)		21,84,912	7,85,086
IV. Tax Expense:			
(1) Current Tax		(4,50,000)	(1,51,000)
(2) Excess/ (Short) provision of taxes		2,95,805	-
V. Profit/ (Loss) after tax (III - IV)		20,30,717	6,34,086
VI. Earnings per equity share:			
(1) Basic		1.13	0.35
(2) Diluted		1.13	0.35
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		1 & 2	

For and on behalf of Board of Directors
 Director Director
 Place : Bangalore
 Date : 23.05.2014
 As per our report of even date For VASUDEV PAI & CO., Chartered Accountant Firm Registration No. 0045605
 (T VASUDEV PAI)
 Proprietor
 Membership No. 020906

NOTE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014.

1. Significant Accounting policies:

1.1 Basis of Accounting:

The accounts are prepared under the historical cost convention and also in accordance with the accounting standard issued by the Institute of Chartered Accountants of India and the Provisions of the Companies Act, 1956 as adopted consistently by the Company on the basis of a going concern.

1.2 Revenue Recognition:

All income and expenditure which have material bearing on the financial statements are recognised on accrual basis. The Dividend on shares has been accounted on receipt basis.

1.3 Fixed Assets:

Fixed Assets are capitalized at cost of acquisition.

1.4 Depreciation:

Depreciation is provided under the "Written Down Value Method" at rates provided by Schedule XIV to the Companies Act, 1956.

1.5 Investments:

Long Term Investments are carried at cost. Provision for diminution in the value of long term investment is made only if such decline is other than temporary in the opinion of the management

1.6 Stock-in-Trade:

Shares, Debentures & Securities are valued at lower of the cost or market value.

1.7 Provision for Income Tax and Deferred Tax:

Provision for Income Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

2. NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2014

Note 2.01 : Share Capital

Sub Note A : Authorised, Issued, Subscribed and Paid up Share Capital

(Amount in Rs.)

Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10/- each Issued	2000000	2,00,00,000	2000000	2,00,00,000
Equity Shares of Rs.10/- each Subscribed & Paid up	1800000	1,80,00,000	1800000	1,80,00,000
Equity Shares of Rs.10/- each fully paid	1800000	1,80,00,000	1800000	1,80,00,000
Total	1800000	1,80,00,000	1800000	1,80,00,000

1. There was no issue / buy back of shares of the nature mentioned in clause (i) of note 6A of general instructions to Schedule VI in the last five years.

Sub Note B: Rights, Preferences and Restrictions attached to Shares:

Equity Shares: The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Sub Note C : Reconciliation of number of Shares at the beginning and end of the year

(Amount in Rs.)

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1800000	1,80,00,000	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1800000	1,80,00,000	-	-

Sub Note D : Shares in the Company held by each shareholder

Name of Shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Maha Rashtra Apex Corporation Ltd	1799950	99.997%	1799950	99.997%

Note 2.02 : Reserves & Surplus

(Amount in Rs.)

Particulars	As at 31st March 2014	As at 31st March 2013
a. Surplus		
Balance at the beginning of the Year	(1,05,37,364)	(1,11,71,450)
Net Profit/(Net Loss) For the Current Year	20,30,717	6,34,086
Balance at the end of the Year	(85,06,648)	(1,05,37,364)
Total	(85,06,648)	(1,05,37,364)
Note 2.03 : Other Current Liabilities		(Amount in Rs.)
Particulars	As at 31st March 2014	As at 31st March 2013
(a) Expenses Payable	49,090	49,090
(b) Other Payables		
Statutory dues payable	-	2,95,805
Security Deposits received	6,00,000	6,00,000
Total	6,49,090	9,44,895
Note 2.04 : Short Term Provisions		(Amount in Rs.)
Particulars	As at 31st March 2014	As at 31st March 2013
(a) Others		
Provision for Taxation	10,88,000	6,38,000
Total	10,88,000	6,38,000

Fixed Assets	Net Block		Accumulated Depreciation		Gross Block	
	Balance as at 31 March 2014	Balance as at 31 March 2013	Balance as at 1 April 2013	Rate of Depreciation	Balance as at 31 March 2014	Balance as at 1 April 2013
Tangible Assets						
	Building	4,78,904	4,78,904	13,57,978	5%	18,12,837
Total	4,78,904	4,78,904	23,945		18,12,837	18,12,837

Note 2.05: Fixed Assets

Note 2.06 : Non Current Investments (Amount in Rs.)				
Sub Note A : Investments				
Particulars	As at 31st March 2014		As at 31st March 2013	
	Number	Amount	Number	Amount
Long Term Investments (Valued at Cost)				
Quoted Shares				
India Cements Capital & Finance Ltd (Equity Shares of Rs. 10/- each fully paid)	15000	1,50,000	15000	1,50,000
Parekh Platinum Ltd (Equity Shares of Rs. 10/- each fully paid)	25000	24,06,250	25000	24,06,250
Less: Provision for diminution in value of investment		(25,56,250)		(25,56,250)
TOTAL - A		-		-
Unquoted Shares				
Associate Company:				
El'dorado Investments Co. Pvt.Ltd. (Equity Shares of Rs. 10/- each fully paid)	240000	24,00,000	240000	24,00,000
TOTAL - B		24,00,000		24,00,000
Other Investments				
Investment in Properties				
Land (At Cost)		-		5,45,120
TOTAL - C		-		5,45,120
Total (A+B+C)		24,00,000		29,45,120
Sub Note B : Aggregate amount (Amount in Rs.)				
Particulars	As at 31st March 2014		As at 31st March 2013	
a) Aggregate amount of Quoted Shares (Net of Provision) (Market Value : Nil, PY: Nil)	-		-	
b) Aggregate amount of Unquoted Shares (Net of Provisions)	24,00,000		24,00,000	
Note 2.07 : Long-term Loans and Advances (Amount in Rs.)				
Particulars	As at 31st March 2014		As at 31st March 2013	
a) Loans & Advances to Related Parties				
Unsecured, considered good				
Holding Company	47,40,756		15,64,846	
Associate Company	15,75,895	63,16,651	15,74,895	31,39,741
TOTAL		63,16,651		31,39,741
Note: As at 31.03.2014 the loans & advances balance of Rs. 63.17 lakhs (PY: Rs. 31.40 lakhs due from Holding & Associates Companies is interest free and repayable on demand, however, the Management does not have an intention to recover these loans in next 12 months, hence these have been classified under Long Term Loans & Advances.				
Note 2.08 : Inventories (Amount in Rs.)				
Particulars	As at 31st March 2014		As at 31st March 2013	
Stock-in-Trade (Valued at the lower value of cost or market value)	7,800		7,800	
Total	7,800		7,800	
Note 2.09 : Trade Receivables (Amount in Rs.)				
Particulars	As at 31st March 2014		As at 31st March 2013	
Trade receivables outstanding for a period less than six months from the date they are due for payment				
- Unsecured, considered good	1,12,360		1,12,360	
Total	1,12,360		1,12,360	
Note 2.10 : Cash and Cash Equivalents (Amount in Rs.)				
Particulars	As at 31st March 2014		As at 31st March 2013	
a. Balances with Banks	8,44,232		10,11,888	
- in Current Account	2,15,301		9,82,957	
- in Inoperative Current Account	28,931		28,931	
- in Fixed Deposits less than 3 months maturity	3,00,000		-	
- in Fixed Deposits with maturity period more than 3 months but less than 12 months	3,00,000		-	
b. Cash on hand	5,450		4,657	
TOTAL	8,49,682		10,16,545	
Note 2.11 : Short-term Loans and Advances (Amount in Rs.)				
Particulars	As at 31st March 2014		As at 31st March 2013	
a) Loans & Advances to Others				
Unsecured, considered good				
Others	2,500		5,00,000	
Deposits with Others	21,100		21,100	
Advance Tax & TDS	10,65,392		8,23,962	
TOTAL	10,88,992		13,45,062	
Note 2.12 : Other Income (Amount in Rs.)				
Particulars	For the year ended 31st March 2014		For the year ended 31st March 2013	
Interest Income	711		48,836	
Dividend receipts	2,538		4,350	
Profit on sale of Investment in Property	10,54,880		-	
Miscellaneous Income	1,00,000		-	
Total	11,58,129		53,186	
Note 2.13 : Other Expenses (Amount in Rs.)				
Particulars	For the year ended 31st March 2014		For the year ended 31st March 2013	
a. Legal & Professional charges	47,436		75,469	
b. Maintenance Charges	-		64,863	
c. Payment to Auditor as				
I) Auditor	28,090		28,090	
d. Property Tax Paid	-		73,504	
e. Service Tax paid	-		3,56,779	
f. Filing Fees paid	-		24,000	
g. Miscellaneous Expenses	73,746		34,190	
Total	1,49,272		6,56,895	
2.14 In the opinion of the Board, the Current Assets and Loans & Advances are realisable in the ordinary course of business. However, the balance in inoperative bank accounts are subject to confirmation. The provisions for all known liabilities have been made and are adequate.				
2.15 Break-up of Opening & Closing value of Inventories: (Amount in Rs.)				
Particulars	As at 31st March 2014		As at 31st March 2013	
Opening Stock				
Equity Shares (Quoted)	7,800		7,800	
Closing Stock				
Equity Shares (Quoted)	7,800		7,800	
2.16 The requirement of Accounting Standard 17 on Segment Reporting is not applicable to the Company for the year ended 31st March 2014.				
2.17 As per Accounting Standard 18 as notified under the Companies (Accounting Standards) Rules, 2006, the disclosures of transaction with the related parties are given below:-				
a. List of Related parties and Relationship:				
Relationship	Related Parties			
Key Management Personnel	a) Sri S R Gowda b) Sri G A Rego			
Holding Company	a) Maha Rashtra Apex Corporation Ltd			
Associate Company	a) Eldorado Investment Company Pvt Ltd			
b. Related Party transactions: (Amount in Rs.)				
Particulars	Key Management Personnel 31.03.2014 (31.03.2013)	Holding Company 31.03.2014 (31.03.2013)	Associate Company 31.03.2014 (31.03.2013)	
Summary of Balances of Related Parties				
Investment in Equity Shares	Nil	Nil	24,00,000	
	(Nil)	(Nil)	(24,00,000)	
Advance Recoverable	Nil	47,40,756	15,75,895	
	(Nil)	(15,64,846)	(15,74,895)	
Summary of the Transactions with Related Parties				
Advance given during the year	32,30,000		1,000	
	(16,88,215)		(Nil)	
Expenses paid on behalf of the Companies	54,090		Nil	
	(1,23,370)		(Nil)	
Expenses paid on behalf of the Related Party	Nil	Nil	1,000	
	(Nil)	Nil	(Nil)	

2.18 Earning per Share is calculated by dividing the profit attributable to the equity shareholders by the number of equity shares as under (AS 20):		
(Amount in Rs.)		
Particulars	As at 31st March 2014	As at 31st March 2013
Net Profit/(Loss) after Tax	20,30,717	6,34,086
Add(+)/Less(-) Prior Year Adjustments	Nil	Nil
Net Profit/ (Loss) attributable to Equity Share Holders	20,30,717	6,34,086
Number of equity shares used as denominator for calculating Basic EPS	1800000	1800000
Basic Earning Per Share of Rs.10/- each	1.13	0.35
2.19 There are no Deferred Tax Liability on timing differences as at 31.03.2014		
2.20 There are no dues to Micro, Small and Medium Enterprises during the year. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2014, is not applicable.		
2.21 The figures of previous year have been suitably regrouped and/or rearranged wherever necessary.		
For and on behalf of Board of Directors		As per our report of even date For VASUDEV PAI & CO., Chartered Accountant Firm Registration No. 004560S
Director	Director	(T VASUDEV PAI) Proprietor Membership No. 020906
Place : Bangalore Date : 23.05.2014		
ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956		
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:		
1. REGISTRATION DETAILS:		
Registration No.	:	U70101MH1987PTC042955
State Code	:	11
Balance Sheet date	:	31.03.2014
2. CAPITAL RAISED DURING THE YEAR:		
Public Issue	:	Nil
Rights Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil
Further Issue	:	Nil
3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS:		
Total Equity & Liabilities	:	(Amount in Rs.) 11230443
Total Assets	:	11230443
Equity & Liabilities:		
Shareholders' Fund	:	9493354
Current Liabilities	:	1737090
Current Liabilities	:	1737090
Assets:		
Non-Current Assets	:	9171610
Current Assets	:	2058834
4. PERFORMANCE OF COMPANY:		
Total Revenue	:	2358129
Total Expenditure	:	173217
Profit/(loss) before Tax	:	2184912
Profit/(loss) after Tax	:	2030717
Earning per Share (Rs.)	:	1.13
Dividend Rate	:	-
5. Generic names of three principal products/services of Company		
	:	Services - Others
Place: Bangalore Date: 23.05.2014		For and on behalf of Board of Directors DIRECTOR DIRECTOR



**Maha Rashtra Apex
Corporation Limited**

CIN: L85110KA1943PLC001177

Registered Office: 3rd Floor, Front Wing, North Block, Manipal Centre,
Bangalore, Karnataka-560 001

Tel no: 0820-2571021 Fax No: 0820-2571112

Email Id: mracl.ho@manipal.com Website: www.maharashtraapex.com

ATTENDANCE SLIP

(70th Annual General Meeting)

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

I hereby record my presence at the 70th Annual General Meeting held on Tuesday, 30th September, 2014 at
11.00 a.m. 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

Registered Office: 3rd Floor, Front Wing, North Block, Manipal Centre,
Bangalore, Karnataka-560 001 Tel no: 0820-2571021 Fax No: 0820-2571112
Email Id: mracl.ho@manipal.com Website: www.maharashtraapex.com

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):
Registered Address:

Email ID:
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 70th Annual General Meeting of the Company, to be held on Tuesday, 30th September, 2014 at 11.00 a.m. 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.	Description of Resolution	Vote*	
		For	Against
1	Adoption of Financial Statements for the year ended 31st March, 2014 together with the reports of the Directors' and Auditors' thereon.		
2	Appointment of M/s. Rao & Swami, Chartered Accountants (Registration No.003105S), as Statutory Auditors of the Company and to fix their remuneration.		
3	Appointment of Sri Sevagoor Srinivas Kamath (DIN 01039656) as an Independent Director for a term up to 31st March, 2019.		
4	Appointment of Sri K B Shetty (DIN 01451944) as an Independent Director for a term up to 31st March, 2019.		
5	Re-appointment of Sri Subbarama Gowda (DIN: 00046329) as the Whole-time Director of the Company for a period of 3 years from 10th December, 2014 to 9th December, 2017.		

*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. Re.1/-

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.

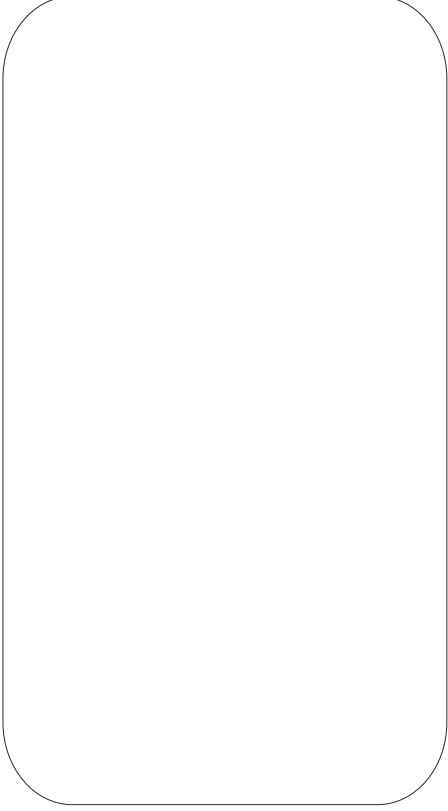
Revenue Stamp Signed this _____ day of _____ 2014

Signature of Shareholder

Signature of Proxy holder (s)

Affix 30
paise
Revenue
Stamp

Book Post



If not delivered, please return to :



**Maha Rashtra Apex
Corporation Limited**

Admn. Off : Syndicate House, Manipal - 576 104