



# **65<sup>th</sup>**

## **ANNUAL REPORT**

### **2008-09**



**Maha Rashtra Apex**  
**Corporation Limited**

Regd. Office, Syndicate House, Manipal - 576 104

*Respectful Salutations...*



Late Sri T Ramesh U Pai



## BOARD OF DIRECTORS

Executive Director	:	Sri G A REGO
Director	:	Sri S R GOWDA
Director	:	Sri K B SHETTY
Company Secretary	:	Sri J M PANDEY
Bankers	:	SYNDICATE BANK CORPORATION BANK ICICI BANK LTD. KARNATAKA BANK LTD.
Auditors	:	M/s RAO & SWAMI Chartered Accountants Vidyarathna Building UDUPI - 576 101
Registered Office	:	"Syndicate House" Upendra Nagar MANIPAL - 576 104
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



## NOTICE

NOTICE is hereby given that the 65th Annual General Meeting of the members of MAHA RASHTRA APEX CORPORATION LIMITED will be held as follows:

**Date : Wednesday, September 30, 2009 Time : 4.00 p.m.**  
**Venue : MANIPAL JUNIOR COLLEGE AUDITORIUM, MANIPAL - 576 104**

The Agenda for the meeting is given below:

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31st March, 2009 and the Balance Sheet as on that date and the Report of the Board of Directors and Auditors thereon.
2. To Appoint a Director in the place of Sri S R Gowda who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS:

4. To consider and if thought fit to pass the following Resolution with or without modification as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 269 and other applicable provisions of the Companies Act, 1956 (read with schedule XIII of the Companies Act, 1956) and in terms of Clause No.134 & 180 of the Companies Articles of Association and subject to the approval of members of the Company Sri GA Rego be and is hereby reappointed as Executive Director of the Company for a period of 2 years from 1st December, 2009".

5. To consider and if thought fit to pass the following Resolution with or without modification as a Special Resolution.

"RESOLVED that the Registered Office of the Company be changed from 3rd Floor, Syndicate House, Manipal - 576 104 to 3rd Floor, Front wing, North Block, Manipal Centre, 47, Dickenson Road, Bangalore - 560 042 with effect from 01.10.2009."

By Order of the Board,

Manipal  
August 28, 2009

GA Rego  
Executive Director



**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. Duly completed instrument of proxy must be lodged with the Company's Registered Office not less than 48 hours before the meeting time.
3. The Register of Members and share transfer books of the Company shall remain closed from 28.9.2009 to 30.9.2009 (both days inclusive).
4. Members are requested to bring their copy of the Annual Report along with them to the meeting.

By Order of the Board,

Manipal  
August 28, 2009.

GA Rego  
Executive Director

**INFORMATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING REAPPOINTMENT OF DIRECTORS AND EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.**

**ITEM NO.2**

Sri S R Gowda, an Engineering Graduate has got ample experience in the field of administration as well as Public relation and he has acquired sufficient knowledge in the field of finance to be competent to become one of the directors of the Company.

He is also a Director in the following Company:

1. Canara Steel Ltd.
2. Canara Nidhi Ltd.
3. Manipal Home Finance Ltd.
4. Maharashtra Apex Asset Management Co.Ltd.
5. Manipal Gold Co.Ltd.
6. Manipal Chit Fund Pvt.Ltd.
7. Manipal Medi Records Pvt.Ltd.
8. Manipal Coir & Foam Pvt.Ltd.
9. Metropolis Builders Pvt.Ltd.
10. Chitrakala Apartments Pvt.Ltd.



11. El'dorado Share Services Pvt.Ltd.
12. Dagny Investments Pvt.Ltd.
13. Crimson Estate & Properties Pvt.Ltd.
14. Rajmahal Trade & Investments Pvt.Ltd.
15. Anil Sunil Trade & Investments Pvt.Ltd.
16. Jaymahal Trade & Investments Pvt.Ltd.

He is member of Shareholder/Investor's Grievance Committee and Audit Committee.

#### **ITEM NO.4**

Sri G A Rego, was appointed as Executive Director of the Company Initially for a period of five years from 1st December, 2001 to 30th November, 2006. On expiry of this term he was reappointed by the Board for a further period of three years from 1st December, 2006 to 30th November, 2009. The Board has again decided to continue his appointment as Executive Director for two more years from 1st December, 2009 to 30th November, 2011. The terms of reappointment of Sri G A Rego as Executive Director are as follows:

- a) Salary: Rs.14,520/- per month with suitable annual increment as decided by the Board.
- b) Conveyance Allowance: Rs.5,445/- per month.
- 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) Club Fees: Reimbursement of one Club fees other than admission fee.
- g) Personal Accident Insurance: Insurance coverage upto an extent of Rs.2 lakhs only.
- h) Provident Fund: Company's contribution to PF as per the applicable rules and norms.
- i) Leave Encashment: Encashment as per the rules of the Company.
- j) Car Facility: Provision of a car with Driver for use on Company's business.
- k) Telephone: Provision of telephone at residence for business purpose.

Variation: The terms and conditions as set out in the above resolution may be altered or varied from time to time by the Board at its absolute discretion so as not to exceed the limits of Schedule XII.

Notice: The appointment may be terminated by either party by giving 3 months notice to the other Party.

Since Sri G A Rego is above 70 years approval of members is required by Special Resolution and hence the same has been proposed to be passed as a Special Resolution.



**ITEM NO.5**

The Registered office of the company is at present situated at Manipal. For better administrative convenience it is proposed to shift the Registered Office from Manipal to Bangalore. The above shifting will be within the same State of Karnataka and within the jurisdiction of the same Registrar of Companies. In order to change the Registered Office within the same state, the consent of the share-holders is required by means of a special resolution. Hence the same is being placed for your approval at this AGM.

The Board considers that the change of Registered office is in the best interest of the company and recommend the resolution for approval of members. No Director is concerned or interested in this resolution.

By Order of the Board,

Manipal  
August 28, 2009

GA Rego  
Executive Director

### DIRECTORS' REPORT

#### TO THE MEMBERS,

Your Directors have pleasure in presenting the 65th Annual Report and Audited Statements of Account for the year ended 31st March, 2009.

#### FINANCIAL RESULTS

(Rs. in lakhs)

	Year ended March 31, 2009	Previous Year March 31, 2008
Profit before Interest, Depreciation, Lease Equalisation and Provision for Taxation	134.61	2039.67
Less: Interest	361.01	351.37
Lease Equalisation	(49.46)	(58.39)
Depreciation	88.87	96.52
	400.42	389.50
	(265.81)	1650.17
Less: Provision for Taxation (earlier years paid)	0.00	300.00
Provision for Fringe Benefit Tax (earlier years paid)	1.25	1.20
Prior Period item adjustment (Net of Tax)	14.75	0.00
Net Profit/Loss	(281.81)	1348.97
Add: Previous year's surplus	(11097.52)	(12446.49)
Amount available for disposal	(11379.33)	(11097.52)

#### REVIEW OF OPERATION

The Company could not involve in fund based business activities due to Cancellation of its licence by the Reserve Bank of India. The recovery position from the borrowers during the year is not full satisfactory. The company is in the process of disposing off its assets including investments in Kurlon Limited to arrange adequate funds to repay the Deposits/Bonds. The Hon'ble High court of Karnataka has given permission to sale of investments in Kurlon Limited. It is worth mentioning that the Company is in the process of augmenting funds through all possible channels to expedite the repayment of Deposits/Bonds even though the requirements as per the order of High Court of Karnataka could not be fulfilled in time as expected. During the year under review the collection of dues under HP/Lease/Loan/Bills etc was to the tune of Rs.494.14 lacs.





The Company posted a net loss of Rs. 281.81 lakhs for the Current year. In view of this loss the Board expressed its inability to declare dividend to Equity/Preference Shareholders.

### SCHEME OF ARRANGEMENT

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, the Company has repaid Deposits/Bonds aggregating to Rs. 95.11 Crores till 31.3.2009. The details are given below:

(Rs.in Lakhs)

Category	Payable	Paid till 31.03.09
Face Value of Rs.5000/- & Less Instalments (Above Rs.5000/-)	1258.70	1160.69
I	3448.10	3448.10
II	4503.00	4503.00
III	5211.00	397.90
IV	3516.40	1.90
<b>TOTAL</b>	<b>17937.20</b>	<b>9511.59</b>

### PERSONNEL

The Staff strength has been reduced considerably and the minimum staff members required for functioning of the Company are retained. The above austerity measures taken by the management helped a lot to reduce the over heads of the Company.

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., El'Dorado Investments Pvt. Ltd., and Riviera Steels Pvt. Ltd., are annexed.

### DIRECTORS

Sri G A Rego's appointment as Executive Director expires on 30th November, 2009. The Board of Directors in their meeting held on 28th August, 2009 has decided to reappoint him for a further period of two years from 1st December, 2009 to 30th November, 2011.

The necessary resolution for his reappointment is put up for the Shareholder's approval in the ensuing Annual General Meeting.

Sri S R Gowda, 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, your Director 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, 2009 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 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

### **REPLY TO AUDITORS' OBSERVATION**

The Board is taking various steps to accelerate recovery. It has constituted an Asset Recovery Board with adequate powers to settle One time Settlement Cases. Recovery Facilitators are also appointed at selected places. Special efforts are on to induce the loan defaulters and bring them forward for settlement. The Company has met fair success in this process.

Consequent to the closure of most of the branches and discontinuation of business activities, there has not been any Significant transactions which merit the continuance of Internal Audit system. Hence as a cost cutting measure the Internal Audit System has been discontinued with effect from the year 2003.

With regard to Auditors' observation in Paras 2(e)(f)(g)(i)(j)(k) and (l) explanations given in the relevant notes B(1) to B(5), B(16), B(19), B(23), and B(24) of Schedule 'M' of the Accounts are self-explanatory.

### **AUDITORS**

M/s Rao & Swami, Chartered Accountants, Udupi, the present auditors of the Company retire at the forthcoming Annual General Meeting. A Certificate under Section 224(1B) of the Companies Act, 1956 has been received from the Auditors, confirming that the appointment if made will be within the prescribed limits.

### **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, 2009 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,

Manipal  
August 28, 2009

GA Rego  
Executive Director

KB Shetty  
Director

## CORPORATE GOVERNANCE REPORT 2009

### COMPANY'S PHILOSOPHY

The Company is keen to maintain excellent Corporate Governance and in this connection it has made all out efforts to ensure that its objectives are achieved without leaving any stone unturned under any circumstances.

### 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, 2009. 66% of the Board Members consisted of Non-Executive and 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, 2009 was as under:

Six Board Meetings were held during the period 2008-09. These meetings were held on 28th April 2008, 29th July 2008, 18th August 2008, 25th October 2008, 24th January 2009 & 17th February 2009. The details are follows:

Sl.No.	Name of Director	Category of Directorship	No. of Meeting Attended	Attendance at last AGM	No. of other Directorship	No. of Membership Chairman(C)
1.	Smt. Shanthi R Pai*	Promoter Non-Executive Chairperson	1	No	1	2
2.	Sri G A Rego	Executive/Whole time Director	6	Yes	15	2
3.	Sri S R Gowda	Independent-Non-Executive	6	Yes	16	2
4.	Mr K B Shetty	Independent-Non-Executive	5	No	Nil	2

\* Expired on 18.7.2008

### AUDIT COMMITTEE

Composition of the Audit Committee meets all the criteria under the law. The Committee comprises of three Directors, majority being Non-Executive and independent. It met five times during the period 2008-2009 on 28th April 2008, 29th July 2008, 18th August 2008, 25th October 2008 and 24th January 2009.

#### The Audit Committee comprised of the following members:

Sri K B Shetty	Chairman
Smt. Shanthi R Pai	Member upto 18.07.2008
Sri G A Rego	Member from 29.07.2008
Sri S R Gowda	Member

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



Attendance of the Directors in the Audit Committee Meeting:

Date of Meeting	No. of Members Present
28.04.2008	3
29.07.2008	2
18.08.2008	3
25.10.2008	3
24.01.2009	3

**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 during the period from 1.4.2008 to 31.3.2009 is given here below:

- i) Whole-Time Director ... Rs. 2.74 lakhs
- ii) Non-Executive Directors ... Nil

**SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The Committee comprising three members of the Board, approves transfers, transmission issue of duplicate shares and review and redress Share holders grievances/complaint on matters relating to transfer of shares and non-receipt of Balance Sheet. The Committee met 19 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.	Smt Shanthi R Pai	Promoter Non-Executive Chairperson (upto 18.07.2008)	6
2.	Sri G A Rego	Executive Director	19
3.	Sri S R Gowda	Independent-Non-Executive	19
4.	Sri K B Shetty	Independent-Non-Executive	1

## ANNUAL GENERAL MEETINGS

The last three Annual General Meetings were held at Manipal Junior College Auditorium, Manipal as under:

AGM No.	DATE	TIME	Special Resolution required for
62	29.09.2006	4.30 p.m	i) Appointment of Sri G A Rego as Executive Director (whole time Director)  ii) Alteration of Memorandum & Articles of Association due to sub-division of Shares
63	28.9.2007	4.00 p.m	iii) Alteration of Memorandum & Articles of Association due to Consolidation of Equity Shares.
64	29.9.2008	4.00 p.m	Nil

All the resolutions as set out in the respective notices were passed by the Shareholders. No special resolution was required to be put through Ballot.

## POSTAL BALLOT

The Notice of 65th Annual General Meeting for the year 2009 does not contain any item which requires approval by Postal Ballot.

## DISCLOSURES

Due to non-compliance of certain clauses of Listing Agreement the Trading of the Company's scripts was suspended by NSE and BSE on 11.11.2002 and 6.7.2005 respectively. We have already taken adequate steps to fulfill the requirements of NSE and BSE to get the suspension revoked as early as possible.

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.

## MEANS OF COMMUNICATION

- Quarterly/Half-Yearly Financial Results of the Company are forwarded to Stock Exchanges in addition to getting the same published in the National & Regional Newspapers as per the Listing Agreement.
- Company does not have web site.
- Company has not made any presentations to any institutional Investors / Analyst during the year.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

### BUSINESS REVIEW

During the year the Company recovered a sum of Rs.494.14 lakhs by way of cash and Bond/Deposit adjustments.

### REPAYMENT OF DEPOSIT/BOND

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, the Company has repaid public investments aggregating to Rs.95.11 Crores till 31.3.2009. The details are given below:

(Rs. in Lakhs)

Category	Payable	Paid till 31.03.09
Face Value of Rs.5000/- & Less Instalments (Above Rs.5000/-)	1258.70	1160.69
I	3448.10	3448.10
II	4503.00	4503.00
III	5211.00	397.90
IV	<u>3516.40</u>	<u>1.90</u>
<b>TOTAL</b>	<b>17937.20</b>	<b>9511.59</b>

### 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 70 Staff members working in the entire organisation as on 31.3.2009.

## GENERAL SHAREHOLDERS INFORMATION

- a) Annual General Meeting : 65th Annual General Meeting  
 Date : 30.09.2009  
 Time : 4.00 p.m.  
 Venue : Manipal Junior College Auditorium, Manipal -576 104.
- b) Financial Year : 1st April to 31st March.
- c) Date of Book-Closure : 28.9.2009 to 30.9.2009 (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/Preference Shares for the period 2008-09.
- e) Registered Office : Syndicate House, Manipal - 576 104
- f) Listing on Stock-Exchange : The Equity Shares are listed at the Bombay Stock Exchange Exchange Ltd. & National Stock Exchange Ltd.

The Listing Fee for the year 2008-09 has been paid to both of the Stock Exchanges.

- g) a) Stock Code BSE : 523384  
 NSE : MAHAPEXLTD
- b) Demat ISIN Number of Equity Shares of the Company: INE843B01013

As on 31st March, 2009, 45, 57, 109 Equity Shares forming 32.21% Share Capital of the Company stands dematerialised.

- h) Market Rate Data : Not Available

Registrar and Share Transfer agents for physical and demat shares:

M/s Purva Sharegistry (India) Pvt.Ltd.  
 9 Shiv Shakti Industrial Estate  
 7-B J R Boricha Marg  
 MUMBAI - 400 011

### I) DISTRIBUTION OF EQUITY SHAREHOLDING ON 31st MARCH, 2009

No. of shares		No. of Shareholders	No of Shares	Percentage
1	To 500	10252	2634866	18.68%
501	To 1000	1349	958292	6.74%
1001	To 2000	411	575210	4.06%
2001	To 3000	84	211307	1.48%
3001	To 4000	33	114439	0.80%
4001	To 5000	14	62064	0.44%
5001	To 10000	34	246053	1.74%
Above	10000	31	9347869	66.06%
Total:		12208	14150100	100.00





**SHAREHOLDING PATTERNS AS ON 31st MARCH, 2009**

Category	No. of shares held	Percentage of Shareholding
A. Directors, Relatives/ Friends and associates	87,03,442	61.51
B. Institutional Investors	-	-
C. Mutual Funds and UTI	-	-
D. Banks	2,098	0.01
E. FII's	-	-
F. Private Corporate Bodies	52,528	0.37
G. Indian Public	53,90,942	38.10
H. NRIs/OCBs	1,090	0.01
I. Any other (Please specify)	-	-
<b>GRAND TOTAL ...</b>	<b>1,41,50,100</b>	<b>100.00</b>

j) Plant Locations : Nil

K) Address of the Registrar & Share Transfer Agent for correspondence:

M/s Purva Shareregistry (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

**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, 2009.

GA Rego  
Executive Director



### AUDITORS' CERTIFICATE

We have examined the compliance of corporate governance by Maha Rashtra Apex Corporation Ltd (the Company) for the year ended 31st March, 2009, 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

Udupi  
August 28, 2009

PV SHENOY  
Partner  
Membership No. 020205

## AUDITORS' REPORT

To the members of MAHA RASHTRA APEX CORPORATION LIMITED

We have audited the attached Balance Sheet of MAHA RASHTRA APEX CORPORATION LIMITED as at 31st March, 2009 and the annexed Profit & Loss Account for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we give in the annexure a statement on the matters specified in Paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
2. Further to our comments in the Annexure referred to in Paragraph (1) above, 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 examination of those books.
  - c) The Balance Sheet and Profit & Loss Account referred to in this report are in agreement with the books of account.
  - d) On the basis of the written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2009 from being appointed as Directors of this Company in terms of Clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
  - e) In our opinion, the Balance Sheet and Profit & Loss Account, dealt with by this report, have been prepared in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, except Note Nos. B(14) B(17) and B(20) of Schedule-M regarding creation of Capital Redemption Reserve for redemption of 14% Cumulative Preference Shares, Non-disclosure of information in respect of actuarial valuation as required under Accounting Standard 15 Employee Benefits (Revised 2005) referred in the Note No. 8 and creation of Deferred tax Asset.



- f) In terms of direction issued by RBI, we state that:
- The Company has not obtained Credit Rating
  - The Capital Adequacy Ratio is negative.
  - There has been some delay in submission of Statements to RBI.
  - In view of the negative networth, all lendings and investments are in excess of Credit Concentration Limit stipulated by the Reserve Bank of India.
  - The company has encashed all the approved securities and utilised for repayment of deposits.
- g) *Though the networth 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. B (3) of Schedule-M).*
- h) *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.*
- i) *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 B(1)(a) of Schedule-M).*
- j) *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 Rs. 84.26 crores (refer Note Nos.B(1) and (2) of Schedule-M).*
- k) *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 realisability of company's assets.*
- l) *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 (Refer Note No. B(6) of Schedule-M).*
- m) *Subject to the comments made in Para (e), (f), (g), (h), (i), (j), (k) and (l) above, in our opinion and to the best of our information and according to the explanations given to us the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:*
- in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009 and,
  - in the case of the Profit & Loss Account, of the Loss for the year ended on that date.
  - in the case of Cash Flow statement, of the Cash Flow for the year ended on that date.

for RAO & SWAMI,  
Chartered Accountants

PV Shenoy  
Partner  
Membership No.020205

UDUPI  
August 28, 2009



**ANNEXURE TO AUDITORS' REPORT**

Referred to in Paragraph 1 of our report of even date:

- i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We are informed that these fixed assets have been physically verified by the Management once in a year and no serious discrepancies have been noticed on such verification. 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.
- ii) 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.
- iii) 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.
- iv) In our opinion and according to information and explanations given to us, there is adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase and sale of assets. During the course of Audit, no major weakness has been noticed in the internal controls.
- v) 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.
- vi) *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. B(1) and B(2) of Schedule-M. The case filed by depositor before National Consumer Forum, New Delhi, criminal cases filed at JMFC, Yellapur and JMFC, Davangere also are 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.*

vii) We are informed that the Company has discontinued the Internal Audit system on account of discontinuance of its regular business from 15th April, 2002.

viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.

ix) 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:

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

x) The net worth of the Company is completely eroded. The Company has incurred cash loss for the year amounting to Rs.226 lakhs (previous year Nil).

xi) 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.B(1) of Schedule-M).

xii) In our opinion, the Company has maintained adequate records where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) As the Company is not a Chit Fund, Clause 4(xiii) of the Companies (Auditor's Report) Order 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 is not applicable to the Company.

xiv) 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 in respect of Subsidiary, Riviera Steels Pvt.Ltd.

xv) As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

xvi) 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, 2009.



- xvii) 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.B(2)).
- xviii) The Company has not made any allotment of shares during the year.
- xix) As per the information and explanations given to us the Company has created securities 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.B(1)(i)).
- xx) The Company has not made any public issues.
- xxi) As per the explanations given to us and also on the basis of verification made by us, we report that no fraud on or by the Company has been noticed or reported during the course of audit.

for RAO & SWAMI,  
Chartered Accountants

UDUPI  
August 28, 2009

P V Shenoy  
Partner  
Membership No.020205

**BALANCE SHEET AS AT 31st MARCH, 2009**

(Rs.in lakhs)

	Schedule	Current Year March 31, 2009	Previous Year March 31, 2008
<b>SOURCES OF FUNDS</b>			
1. Shareholder's Funds			
a) Share Capital	A	1442.70	1442.70
b) Reserves and Surplus	B	0.00	0.00
		----- 1442.70	----- 1442.70
2. Loan Funds			
a) Secured Loans	C	15799.84	17516.83
		----- 15799.84	----- 17516.83
<b>TOTAL</b>		<b>17242.54</b>	<b>18959.53</b>
		=====	=====
<b>APPLICATION OF FUNDS</b>			
1. Fixed Assets			
Gross Block	D	2689.09	2919.47
Less: Depreciation		1806.12	1841.26
		----- 882.97	----- 1078.21
Less: Lease Terminal Adjustment		386.86	505.28
		----- 496.11	----- 572.93
2. Investments	E	3048.63	3050.14
3. Current Assets, Loans and Advances			
a) Current Assets	F	4090.09	4731.39
b) Loans and Advances	G	4609.27	5051.61
		----- 8699.36	----- 9783.00
Less: Current Liabilities & Provisions	H	3685.42	3384.18
		----- 5013.94	----- 6398.82
4. Profit & Loss Account		11379.33	11097.52
Less: Reserves as per Schedule B		2695.47	2159.88
		----- 8683.86	----- 8937.64
<b>TOTAL</b>		<b>17242.54</b>	<b>18959.53</b>
		=====	=====

For Notes on Accounts - Schedule M

 GAREGO  
 Executive Director

 K B SHETTY  
 Director

 As per our attached  
 Report of even date,  
 for RAO & SWAMI  
 Chartered Accountants

 SRGOWDA  
 Director

 J M PANDEY  
 Company Secretary

 P V SHENOY  
 Partner  
 Membership No.020205

 Manipal  
 August 28, 2009

 Udupi  
 August 28, 2009





**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDING 31st MARCH, 2009**

(Rs.in lakhs)

	Schedule	Current Year March 31, 2009	Previous Year March 31, 2008
<b>INCOME</b>			
Income from Operations	I	188.33	170.77
Other Income	J	597.59	2433.21
<b>TOTAL</b>		<b>785.92</b>	<b>2603.98</b>
<b>EXPENDITURE</b>			
Interest	K	361.01	351.37
Administration & Other Expenses	L	651.31	564.31
Depreciation		88.87	96.52
<b>TOTAL</b>		<b>1101.19</b>	<b>1012.20</b>
Profit after Interest & Depreciation		(315.27)	1591.78
Less: Lease Equalisation		49.46	58.39
Profit/Loss before tax		(265.81)	1650.17
Provision for Taxation		0.00	300.00
Provision for Fringe benefit tax		1.25	1.20
Prior period item adjustment (Net of Tax)		14.75	0.00
Profit after Tax		(281.81)	1348.97
Add: Balance of Profit from previous year		(11097.52)	(12446.49)
Balance carried to Balance Sheet		(11379.33)	(11097.52)
Earning per Share [Basic / Diluted]		(1.99)	9.53

For Notes on Accounts - Schedule M

GAREGO  
Executive Director

KB SHETTY  
Director

As per our attached  
Report of even date,  
for RAO & SWAMI  
Chartered Accountants

SR GOWDA  
Director

JMPANDEY  
Company Secretary

P V SHENOY  
Partner  
Membership No.020205

Manipal  
August 28, 2009

Udupi  
August 28, 2009



**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2009**

(Rs. in lakhs)

	Current Year March 31, 2009	Previous Year March 31, 2008
<b>SCHEDULE - A: SHARE CAPITAL</b>		
Authorised		
20000000 Equity Shares of Rs.10/- each,	2000.00	2000.00
20000000 Redeemable Cumulative Preference Shares of Rs.10/- each	2000.00	2000.00
(P.Y. 2,00,00,000 Equity Shares of of Rs.10/- each and 2,00,00,000 Redeemable Cumulative Preference Shares of Rs.10/-	----- 4000.00	----- 4000.00
Issued		
14150100 Equity Shares of Rs.10/- each,	1415.01	1415.01
1763500 17.5% Redeemable Cumulative Preference Shares of Rs.10/- each	176.35	176.35
6236500 14% Redeemable Cumulative Preference Shares of Rs.10/- each	623.65	623.65
	----- 2215.01	----- 2215.01
Subscribed and Paid-up		
(a) 14150100 Equity Shares of Rs.10/- each, fully Called-up (P.Y. 1,41,50,100 Equity Shares of Rs.10/- each fully Called-up)	1415.01	1415.01
Less: Calls Unpaid [Dues from Directors: Nil]	3.93 ----- 1411.08	3.93 ----- 1411.08
Of the above		
(i) 11,667 Equity Shares of Rs.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 Rs.10/- each allotted as fully paid bonus shares on capitalisation of Reserves		
(iii) 4,08,240 Equity Shares of Rs.10/- each allotted as fully paid bonus shares on capitalisation of Share Premium Account		
(b) 316200 14% Redeemable Cumulative Preference shares of Rs.10/- each	31.62	31.62
TOTAL	----- 1442.70	----- 1442.70



**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2009 (Continued)**

(Rs. in lakhs)

	<b>Current Year March 31, 2009</b>	<b>Previous Year March 31, 2008</b>
<b>SCHEDULE - B: RESERVES AND SURPLUS</b>		
(a) Capital Reserve		
i) Balance brought down	<b>600.01</b>	222.48
ii) Transfer during the year	<b>535.59</b>	377.53
	-----	-----
	<b>1135.60</b>	600.01
(b) Capital Redemption Reserve [Redemption of 17.5% RCP Shares]	<b>176.35</b>	176.35
(c) Share Premium	<b>997.48</b>	997.48
(d) General Reserve	<b>226.52</b>	226.52
(e) Special Reserve [Pursuant to RBI (Amendment) Act, 1997]	<b>159.52</b>	159.52
	-----	-----
<b>TOTAL</b>	<b><u>2695.47</u></b>	<b><u>2159.88</u></b>
<b>SCHEDULE - C: SECURED LOANS</b>		
From OTHERS		
Unpaid Creditors being outstanding Bonds/Deposits maturing after 31.03.2002 and inter corporate deposit	<b>15799.84</b>	17516.83
(Secured by first charge on Co's financial assets book debts, receivables and pledge of Kurlon Shares)		
	-----	-----
<b>TOTAL</b>	<b><u>15799.84</u></b>	<b><u>17516.83</u></b>



SCHEDULE - D: FIXED ASSETS		(Rs. in lakhs)									
		GROSS BLOCK (at cost)				DEPRECIATION				NET BLOCK	
	As on 01-APR-2008	Additions	Deductions	As on 31-Mar-2009	Upto 31-Mar-2008	For the Year	On Assets Sold	Upto 31-Mar-2009	As on 31-Mar-2009	As on 31-Mar-2008	
<b>COMPANY ASSETS</b>											
Land	37.34	0.00	0.00	37.34	0.00	0.00	0.00	0.00	37.34	37.34	
Buildings	490.75	8.62	69.35	430.02	96.22	7.73	11.80	92.15	337.87	394.53	
Office Furniture & Equipments	558.70	3.78	17.56	544.92	464.02	14.89	16.65	462.26	82.66	94.68	
Motor Cars & Other Vehicles	13.18	0.54	0.79	12.93	7.42	0.93	0.79	7.56	5.37	5.76	
<b>TOTAL</b>	<b>1099.97</b>	<b>12.94</b>	<b>87.70</b>	<b>1025.21</b>	<b>567.66</b>	<b>23.55</b>	<b>29.24</b>	<b>561.97</b>	<b>463.24</b>	<b>532.31</b>	
<b>ASSETS ON LEASE</b>											
Plant & Machinery	1778.85	0.00	149.59	1629.26	1238.40	64.66	91.79	1211.27	417.99	540.45	
Motor Vehicles	15.67	0.00	0.00	15.67	15.66	0.00	0.00	15.66	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	21.78	0.00	6.03	15.75	16.34	0.66	2.98	14.02	1.73	5.44	
<b>TOTAL</b>	<b>1819.50</b>	<b>0.00</b>	<b>155.62</b>	<b>1665.88</b>	<b>1273.60</b>	<b>65.32</b>	<b>94.77</b>	<b>1244.15</b>	<b>419.73</b>	<b>545.90</b>	
<b>GRAND TOTAL</b>	<b>2919.47</b>	<b>12.94</b>	<b>243.32</b>	<b>2689.09</b>	<b>1841.26</b>	<b>88.87</b>	<b>124.01</b>	<b>1806.12</b>	<b>882.97</b>	<b>1078.21</b>	



**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2009 (Continued)**

(Rs. in lakhs)

	<b>Current Year March 31, 2009</b>	<b>Previous Year March 31, 2008</b>
<b>SCHEDULE - E: INVESTMENTS</b>		
<b>LONG TERM INVESTMENTS - AT COST</b>		
<b>A. GOVERNMENT SECURITIES</b>		
6 year National Savings Certificate at cost	<b>0.14</b>	0.14
Investment in Government Bonds		
<b>B. TRUSTEE SECURITIES</b>		
1518 6.75% Tax Free US64 Bonds of Rs. 100/- each	<b>0.00</b>	1.51
83800 Units of UTI - Masterplus - 91, of Rs.10/- each	<b>14.41</b>	14.41
6500 Units of UTI - Mastershare, of Rs.10/- each	<b>0.92</b>	0.92
	<b>----- 15.33</b>	<b>----- 16.84</b>
<b>C. OTHER INVESTMENTS</b>		
<b>a) Quoted Equity Shares</b>		
20000 Voltas Limited shares of Rs.1/- each	<b>2.92</b>	2.92
2200 TATA Power Company Limited shares of Rs.10/- each	<b>2.62</b>	2.62
16000 ICDS Ltd. shares of Rs. 10/- each	<b>6.59</b>	6.59
56000 Centurian Bank of Punjab Ltd. shares of Rs.10/- each	<b>0.00</b>	6.84
1931 HDFC Bank Shares of Rs.10/- each	<b>6.84</b>	0.00
	<b>----- 18.97</b>	<b>----- 18.97</b>
<b>b) Unquoted Debentures</b>		
750 Jay Rapid Roller Limited Debentures of Rs.1000/- each	<b>7.50</b>	7.50
	<b>----- 7.50</b>	<b>----- 7.50</b>
<b>c) Unquoted Equity Share</b>		
3000 General Investment & Commercial Corporation Shares of Rs.10/- each	<b>0.30</b>	0.30
2000 Shamrao Vithal Co-operative Bank Ltd. Shares of Rs.25/- each	<b>0.50</b>	0.50
36368 Rajmahal Hotels Ltd. Shares of Rs.10/- each	<b>0.76</b>	0.76
58436 Mangala Investments Ltd. Shares of Rs.10/- each	<b>1.50</b>	1.50
200000 Manipal Motors (P) Ltd. Shares of Rs.10/- each	<b>20.00</b>	20.00
600000 Manipal Home Finance Ltd. Shares of Rs.10/- each	<b>60.40</b>	60.40
33990 Manipal Springs Ltd. Shares of Rs.100/- each	<b>34.16</b>	34.16
4000 MPL Finance&Leasing Ltd. Shares of Rs.10/- each	<b>1.65</b>	1.65
116102 Manipal Control Data Electronic Commerce Ltd. shares of Rs.10/- each	<b>11.61</b>	11.61
5692804 Kurlon Limited shares of Rs.10/- each	<b>1714.44</b>	1714.44
750000 Manipal Automobiles Pvt.Ltd. shares of Rs.10/- each	<b>75.00</b>	75.00
	<b>----- 1920.32</b>	<b>----- 1920.32</b>



SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2009 (Continued)

(Rs. in lakhs)

	Current Year March 31, 2009	Previous Year March 31, 2008
<b>SCHEDULE - E: INVESTMENTS [Continued]</b>		
d) Unquoted Preference Shares 200000 13.50% Redeemable Non-Cumulative Preference Shares of El'dorado Investment Co.(P) Ltd. of Rs.100/- each	200.00	200.00
<b>E) Equity Shares of Subsidiaries</b>		
5025100 Maharashtra Apex Asset Management Co. Ltd. shares of Rs.10/- each	502.51	502.51
100000 Riviera Steels Pvt. Ltd. shares of Rs.100/-	119.00	119.00
760000 El'Dorado Investments (P) Ltd. shares of Rs	76.13	76.13
1799950 Crimson Estates & Properties Pvt. Ltd. shares of Rs.10/- each	180.30	180.30
	----- 877.94	----- 877.94
<b>D. MUTUAL FUNDS</b>		
54001.28 F T India - Balanced (Growth) @ 15.62 each	8.43	8.43
	----- 8.43	----- 8.43
[Total Market Value of Shares, Debentures Securities and Mutual Funds - Rs. 88.85 lakhs (Previous Year Rs. 92.38 lakhs)]		
<b>TOTAL</b>	<u>3048.63</u>	<u>3050.14</u>
<b>SCHEDULE - F: CURRENT ASSETS</b>		
Considered Good		
Interest accrued on Investments	11.94	0.79
Unsecured and Considered Good		
Commission and Rent Receivable		
- Due for more than 6 months	574.26	651.05
- others	0.15	2.60
	----- 574.41	----- 653.65
Sundry Debtors		
- Due for more than 6 months	900.89	896.52
- others	6.53	51.81
	----- 907.42	----- 948.33
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]	1968.90	2415.21
Repossessed vehicles at cost	4.89	4.71
Stamps in hand	0.19	0.20
Stock of Stationery on hand at cost	0.78	0.93
Cash in hand	3.89	4.50
With Scheduled Banks in Over Draft/Current account	84.56	60.74
With Scheduled Banks in Deposit accounts	533.11	642.33
<b>TOTAL</b>	<u>4090.09</u>	<u>4731.39</u>



**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2009 (Continued)**

(Rs. in lakhs)

	<b>Current Year March 31, 2009</b>	<b>Previous Year March 31, 2008</b>
<b>SCHEDULE - G: LOANS AND ADVANCES</b>		
CONSIDERED GOOD		
A. Secured		
Demand Loan	<b>544.95</b>	559.54
Bills Discounted	<b>33.15</b>	85.40
B. Unsecured		
Bills Discounted	<b>277.86</b>	285.47
Advances for which the Company holds no other security than Debtors' personal Security	<b>3081.08</b>	3377.49
Other Deposits	<b>21.63</b>	27.04
Advance for purchase of Assets for Hire Purchase/Lease		
Advance Recoverable in Cash or Kind	<b>149.34</b>	189.03
Advance Income-Tax and TDS - [Less provision]	<b>495.73</b>	523.70
Advance Fringe Benefit Tax	<b>5.53</b>	3.95
<b>TOTAL</b>	<b><u>4609.27</u></b>	<b><u>5051.61</u></b>
<b>SCHEDULE - H: CURRENT LIABILITIES AND PROVISIONS</b>		
A. Current Liabilities		
Sundry Creditors	<b>284.75</b>	306.44
Matured Deposit/Bonds with Interest	<b>141.88</b>	192.98
Amount due to Subsidiaries	<b>402.83</b>	379.37
Unclaimed Deposits - Investors	<b>0.99</b>	0.47
Delayed period interest on deposit	<b>865.18</b>	505.75
Collection and other Accounts	<b>491.11</b>	503.37
Liabilities for Expenses	<b>16.00</b>	14.37
B. Provisions		
For Income Tax		
For Non-performing Assets	<b>1262.28</b>	1262.28
For Reduction in Value of Investments	<b>215.55</b>	215.55
Fringe Benefit Tax	<b>4.85</b>	3.60
<b>TOTAL</b>	<b><u>3685.42</u></b>	<b><u>3384.18</u></b>

**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2009 (Continued)**

(Rs. in lakhs)

	<b>Current Year March 31, 2009</b>	<b>Previous Year March 31, 2008</b>
<b>SCHEDULE - I: INCOME FROM OPERATIONS</b>		
Income from Hire Purchase, Lease, Loans & Advance	<b>138.70</b>	133.57
Interest - Investments		
(a) Long Term	<b>44.83</b>	32.65
[Tax Deducted at Source Rs. 9,30,860/-] (Previous Year Rs. 9,43,713/-)]		
Lodging Business	<b>4.80</b>	4.55
[Tax Deducted at Source Rs. 1,10,931/-] (Previous Year Rs. 1,09,064/-)]		
<b>TOTAL</b>	<b><u>188.33</u></b>	<u>170.77</u>
<b>SCHEDULE - J: OTHER INCOME</b>		
Miscellaneous Receipts	<b>0.21</b>	0.49
Service Charges	<b>2.31</b>	3.98
[Tax Deducted at Source Rs. 24,661/-] (Previous Year Rs. 11,053/-)		
Income from House Property	<b>27.08</b>	27.49
[Tax Deducted at Source Rs. 6,26,347/-] (Previous Year Rs. 6,17,857/-)		
Dividend Income		
Long Term		
- Others	<b>116.40</b>	114.70
Bad Debts Recovered	<b>73.90</b>	91.60
Profit on Sale of Assets/Investments	<b>201.31</b>	2077.52
Interest Remission	<b>176.38</b>	117.43
<b>TOTAL</b>	<b><u>597.59</u></b>	<u>2433.21</u>
<b>SCHEDULE - K: INTEREST EXPENDITURE</b>		
Others	<b>361.01</b>	351.37
<b>TOTAL</b>	<b><u>361.01</u></b>	<u>351.37</u>





**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2009 (Continued)**

(Rs. in lakhs)

	<b>Current Year March 31, 2009</b>	<b>Previous Year March 31, 2008</b>
<b>SCHEDULE - L: ADMINISTRATION AND OTHER EXPENSES</b>		
Salaries & Bonus	62.94	66.32
Contribution to Provident and Other Funds	6.88	7.08
Gratuity	3.23	2.15
Printing and Stationery	1.64	2.54
Postage and Telephone Charges	7.66	11.90
Computers and Other Service Charges	17.01	11.28
Director's Sitting Fees and Travelling Expenses	0.54	1.45
Filing Fees	0.16	1.29
General Charges	14.71	14.78
Fire and other Insurance Premium	0.51	0.70
Share Issue Expenses	0.00	0.47
Newspapers, Books and Periodicals	0.24	0.24
Stamp Duty Paid	0.00	0.01
Staff Welfare Expenses	4.74	4.93
Remuneration to Auditors		
- Audit Fees	1.75	1.75
- Certification Charges	0.25	0.25
- Out of Pocket Expenses & Service Tax	0.37	0.40
	----- 2.37	----- 2.40
Rental Expenditure	9.11	11.52
Taxes and Licence	3.76	4.07
Travelling Expenses	8.69	9.82
Legal Expenses	11.35	16.54
Advertisement Charges	13.52	0.88
Bank Charges	1.52	0.76
Electricity Charges	2.93	5.07
Repairs to Buildings	3.47	3.72
Other Repairs	0.68	0.40
Vehicle Maintenance	4.42	4.31
Commission	24.85	18.59
Interest Tax	3.31	0.00
Bad Debts	441.07	361.09
<b>TOTAL</b>	<b><u>651.31</u></b>	<b><u>564.31</u></b>

**SCHEDULE - M: ACCOUNTING POLICY AND NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009:**

**A. SIGNIFICANT ACCOUNTING POLICIES:**

1. Accounting and Income Recognition:
  - a) 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 as adopted consistently by the Company and also in accordance with applicable mandatory accounting standards except Notes No. B(17) and B(20).
  - b) The income from Bank Deposits and Government Securities are accounted on accrual basis.
  - c) Dividend on shares, interest on Debentures, Non-Performing Assets, overdue compensation, income from suit filed accounts and miscellaneous income are accounted as and when received.
2. Fixed Assets are stated at Original Cost less depreciation after taking into consideration the Lease adjustment account wherever necessary.
3. All Expenses are accounted on accrual basis except interest for the year on deposits/bonds as per Note-B(1)(a).
4. Investments are valued at cost. Diminution in the value of investments is shown under note no.B(6)(b) of this schedule.
5. Depreciation:
  - i) Written Down Value Method: In respect of 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.
  - ii) Straight Line Method: On assets acquired after 1.4.91:
    - a) which are not given on lease, the depreciation is charged at the rates specified in Schedule XIV to the Companies Act, 1956
    - b) which are given on lease, the depreciation is charged at the rates specified in Schedule XIV to the Companies Act, 1956. In the case of financial Leases, Lease Equalisation method is followed as per the Guidance Note on accounting of leases issued by the Institute of Chartered Accountants of India.
6. Current Assets:
  - i) Stock on Hire is valued at agreement values less amount received, unrealised and unmatured finance charges and future taxes and insurance.
  - ii) Repossessed Stock is valued at cost.
7. Cost of borrowings are charged to revenue except interest not accounted as per Note A(3).



8. Employees Benefits:

i) Liability is computed on the basis of actuarial valuation in respect of leave encashment as on the date of Balance Sheet as per Accounting Standard As - 15 (revised).

ii) The company has taken a policy from LIC of India to cover the liability towards gratuity arising in terms of payment of Gratuity Act 1972 and the premium paid to LIC of India is charged to Profit & Loss A/c. Provident Fund contribution made to the Govt. Provident Fund in accordance with the rules and the contribution is charged to revenue. Disclosure as per Accounting Standard As 15 (Revised) is not followed in respect of these benefits.

iii) Bonus is provided in the books as per normal practice followed by the company.

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

10. Contingent Liabilities, if any, are disclosed by way of Notes on Accounts.

11. Taxation

Provision for taxation not been made under the Income Tax Act in view of loss for the current year.

12. Fringe Benefit Tax

Fringe Benefit tax is determined at current applicable rates on expenses falling within the ambit of 'Fringe Benefit' as defined under the Income Tax Act 1961.

13. Deferred Tax

Due to uncertainty of availability of sufficient future taxable income Deferred Tax Asset resulting from accumulated losses have not been considered in the accounts.

14. Use of Estimates

Estimates and assumptions used in the preparation of the financial statements are based on managements evaluation of the relevant facts and circumstances as of the date of financial statements which may differ from the actual results at a subsequent date.

15. Impairment of Assets

Impairment of asset is reviewed and recognised in the event of changes and circumstances indicating that the carrying amount of an asset is not recoverable. Difference between the carrying amount of an asset and the recoverable value is recognised as impairment loss in the statement of profit & loss in the year impairment.



**B. NOTES ON ACCOUNTS:**

1. *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, which is the effective date are as under:*
  - a) *No interest shall accrue or be payable on the bonds/deposits maturing on or after 1st April, 2002 and remaining unpaid/outstanding as on 31.3.2002*
  - b) *Bonds/deposits matured prior to 31st March, 2002 and remaining unclaimed shall be repaid with interest upto the date of maturity and Bonds/deposits accepted/renewed in between 1st April, 2002 and 15th April, 2002 shall be repaid without any interest, on receipt of the claim from the holders thereof.*
  - c) *Any loans/advances granted to any bond/deposit holders shall be set off/adjusted against the deposits/ bonds and the outstanding debts payable by the Company shall be reduced accordingly.*
  - d) *All deposits and bonds of the face value of Rs.5,000/- and less shall be paid within six months from the date of order in one instalment 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 instalments.*
  - e) *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 instalments 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.*

2. The Company has started repaying the deposits/bonds as per the terms of the Scheme sanctioned by the High Court of Karnataka by DD/ multi-city cheques and the reduction in the liabilities during the year under items (b), (c), (d), (e), (f), (g) and (h) of Note B(1) amounted to Rs. 1768.09 lakhs. Shortfall in repayment as per the Scheme upto 31.3.2009 amounted to Rs. 8425.61 lakhs.
3. Though the Company is incurring losses since 2001 and its funds are blocked in non-performing assets, it has prepared the accounts 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 the dues from most of the borrowers/ debtors and monitor effectively the deficit in operations.
4. As per the terms of the sanctioned scheme as the deposits/bonds maturing after 31.3.2002 are repayable in instalments (other than those stated in Note No.1(d) above) as stated in Note No.1(e) and (f), the contracted date of maturity got extended and hence the details of maturity dates of bonds are not shown.
5. Sundry Creditors include Rs.189.80 lakhs, being unencashed DD/multi-city cheques issued for repayment of deposits/bonds in terms of the Scheme.
6. *The Company has not made the provisions as required under the RBI Prudential Norms after 1st April, 2000 as the Management is hopeful of recovery and is of the view that 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:*

a) Provision for Non-Performing Assets	... Rs.(-) 880.98 lakhs
b) Provision for Diminution in the value of Investments	... Rs.(-) 229.15 lakhs
c) De-recognition of Income on Non-Performing Assets	... Rs.(-) 96.94 lakhs
Total short provision as on 31.3.2009	... Rs. 74.11 crores

7. Out of the total deposits matured and remaining unpaid for a period of seven years during the year ended 31st March, 2009 amounting to Rs.5,92,381/-, a sum of Rs.4,93,458/- was remitted before 31st March, 2009 to Investors' Education and Protection Fund as per section 205C and the balance amount of Rs.98,923/- was remitted on 17.06.09.
8. i) Land includes agricultural land of the book value of Rs.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.  
  
ii) Buildings include Rs.109.14 lakhs (Previous Year Rs.109.14 lakhs) being the value of shares in Co-Operative Housing Societies.
9. Investments include (i) NSC of Rs.0.14 lakhs given as security for Sales Tax. (ii) 5,00,000 equity shares of Kurlon Limited pledged as security for ICD. (iii) Term Deposits with Banks include Rs.2.20 lakhs given as security for Bank

Guarantee in favour of RTO and Sales Tax Authorities.

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

11. Current Assets, Loans and Advances:

Loans and Advances & Sundry Debtors include

- a) Due from the Officers of the Company Rs.1.25 lakhs; Maximum balance at any time during the year Rs.2.36 lakhs.
- b) Dues from private limited companies in which director is interested Sundry debtors Rs.2.08 lakhs.
- c) Dues from subsidiaries Rs.Nil (previous year Rs.3.97 lakhs).

12. Though the book value of assets are less than the secured loans, the company is of the opinion that the realisable value of the assets are more than the liability drawn under secured loans.

13. In the opinion of the Board, the Current Assets and the Loans and Advances are of the value stated if realised in the ordinary course of business and the provision for all known liabilities is adequate.

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

15. Remuneration paid to the Whole Time Director:

(Rs. in lakhs)

	Current Year March 31, 2009	Previous Year March 31, 2008
i) Salary	1.66	1.58
ii) Contribution to Provident Fund	0.19	0.19
iii) Monetary value of other benefits	0.89	0.77

16. The difference between the face value of bonds/deposits and the amount paid in full and final settlement of the same as per Note B(1)(h) of the Scheme Rs. 535.59 lakhs is transferred to Capital Reserve.

17. Liability in respect of leave encashments computed on the basis of actuarial valuation as per Accounting Standard As - 15 (revised) Rs. 9.51 lakhs. The company has taken a policy from LIC of India to cover the liability towards gratuity arising in terms of payment of Gratuity Act 1972 and the premium paid to LIC of India is charged to Profit & Loss A/c. Provident Fund Contribution made to the Govt. Provident Fund in accordance with the rules and the contribution is charged to revenue. Disclosure as per Accounting standard As 15- (Revised) is not followed in respect of these benefits.



18. Contingent Liabilities:

- i) Suits against the Company for damages not acknowledged as debt Rs. 1.29 lakhs.
- ii) No provision is made in the accounts for disputed Income-Tax Liability aggregating to Rs.468.97 lakhs for the Assessment years 1992-93 to 2001-02 as the appeals filed by the Company are pending disposal. The same has been adjusted by the Department towards Refund due.
- iii) No provision is made in the accounts for the disputed sales tax liability amounting to Rs.17.54 lakhs for the Assessment Year 1995- 96 to 1996-97 as the appeals filed by the Company are pending disposal.
- iv) Arrear of Cumulative Fixed Dividend from 31.3.2001 to maturity date for redemption Rs.17.14 lakhs.

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

20. Deferred Tax:

Deferred Tax Asset resulting from accumulated losses have not been accounted because of uncertainty of availability of sufficient future Taxable Income.

21. Related Party Disclosures:

The Company being a Finance Company, the transactions in the normal course of business have not been disclosed.

A. Related Party and Nature of Relationship:

Sl. No.	Name of the Related Party	Nature of Relationship
1.	Maharashtra Apex Asset Management Co.Ltd.	Subsidiary
2.	Crimson Estates & Properties Pvt.Ltd.	Subsidiary
3.	El'Dorado Investments Pvt.Ltd.	Subsidiary
4.	Riviera Steels Pvt.Ltd.	Subsidiary
5.	El'dorado Shares & Services Pvt.Ltd.	Fellow Subsidiary
6.	Dagny Investments Pvt.Ltd.	Fellow Subsidiary

B. Key Management Personnel:

Sri GA Rego

C. Details of Significant Transactions are as follows: (Excluding reimbursements) (Rs. in lakhs)

Outstanding Balances as at 31.3.2009	Current Year March 31, 2009	Previous Year March 31, 2008
Due to Company - Subsidiary Company (100%)	0.00	3.97
Payable by Company - Subsidiary Company	402.83	379.37

22. Earning Per Share:

(Rs. in lakhs)

Description	Current Year March 31, 2009	Previous Year March 31, 2008
a) Net Profit/Loss available for Equity Shareholders (in lakhs) numerator used for calculation	(281.81)	1348.97
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 (Rs.)	(1.99)	9.53

23. The Company is primarily engaged in the single segment business of financial activities and managed as one entity for its various activities. Therefore, there are no reportable segment in accordance with the AS-17 on segment reporting issued by the Institute of Chartered Accountants of India.

24. There are no dues to Micro, Small and Medium Enterprises as of 31.03.2009.

25. The Company does not carry on manufacturing activities. Hence paragraph 4C of Part-II of Schedule VI of the Companies Act, 1956 is not applicable.

GAREGO  
Executive Director

K B SHETTY  
Director

As per our attached  
Report of even date,  
for RAO & SWAMI  
Chartered Accountants

SRGOWDA  
Director

J M PANDEY  
Company Secretary

P V SHENOY  
Partner  
Membership No.020205

Manipal  
August 28, 2009

Udupi  
August 28, 2009





**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

Registration No.	1 1 7 7	State Code	0 8
Balance Sheet Date	31 03 2009		

II. Capital raised during the year

Public Issue	NIL	Rights Issue	NIL
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Bonus Issue	NIL	Private Placement	NIL
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III. Position of Mobilisation and  
Deployment of Funds  
(Amount in Rs. Thousands)

Total Liabilities	1724254	Total Assets	1724254
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Sources of funds	Paid-up Capital	Reserves and Surplus
	144270	NIL

Application of Funds	Secured Loans	Unsecured loans
	1579984	NIL

Net Fixed Assets	49611	Investments	304863
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Net Current Assets	501394	Miscellaneous Expenditure	NIL
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Accumulated Loss	868386
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IV. Performance of Company  
(Amount in Rs. Thousands)

Turnover	78592	Total Expenditure	110119
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+/- Profit/Loss Before Tax	-26581	+/- Profit/Loss After Tax	-28181
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Earning per share in Rs.	-1.99	Dividend Rate %	NIL
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V. Generic Name of Three Principal  
Products/Services of Company  
(as per monetary terms)

Item Code No. (ITC Code)	NOT APPLICABLE
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Product/Service Description	The Company was in NBFC business which has been discontinued.
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**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.	EL'DORADO INVESTMENTS PVT.LTD.	RIVIERA STEELS PVT.LTD.
2. The Financial period of the Subsidiary Company ended on	March 31, 2009	March 31, 2009	March 31, 2009	March 31, 2009
3. Year from which they became Subsidiary Company	2003	2001	2001	1999
4. Number of Equity Shares held by MRAC Ltd. at the end of the Financial Year of the Subsidiary Company Rs.	50,25,100	17,99,950	7,60,000	1,00,000
5. Extent of interest of Holding Company at the end of the financial year of the subsidiary	99.99%	99.99%	76.00%	100.00%
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 years ended 31st March, 2009 Rs.	(15,64,200)	(73,431)	(31,07,030)	(13,250)
b) For the previous financial years of the subsidiary Company since it became the Holding Company's Subsidiary	(1,73,62,896)	(21,62,163)	11,61,771	(24,44,910)
2. Dealt with in the Holding Company's accounts				
a) For the financial years ended 31st March, 2008	N.A.	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.	N.A.
7. Changes in the interest of Holding Company; between the end of the financial year of the subsidiary and 31st March, 2008				
a) Nos. of Shares	No	No	No	No
b) Extent of holding	N.A.	N.A.	N.A.	N.A.
8. Material Changes between the end of the financial year of the Subsidiary Company and the Company's Financial Statement ended 31st March, 2009				
a) Fixed Assets	N.A.	N.A.	N.A.	N.A.
b) Investments	N.A.	N.A.	N.A.	N.A.
c) Money Lent	N.A.	N.A.	N.A.	N.A.
d) Money borrowed other than those for meeting Current Liabilities	N.A.	N.A.	N.A.	N.A.

 Manipal  
 August 28, 2009

 G A REGO  
 Executive Director

 S R GOWDA  
 Director

 K B SHETTY  
 Director

 J M PANDEY  
 Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2009**

(Rs. in lakhs)

	<b>Current Year 31.3.2009</b>	<b>Previous Year 31.3.2008</b>
<b>A. Cash Flow from Operating Activities</b>		
Profit/(Loss) before Tax	<b>(265.81)</b>	1,650.17
Adjustments for :		
Depreciation	<b>88.87</b>	96.52
Lease Equalisation	<b>(49.46)</b>	(58.39)
Interest on Investments	<b>(44.83)</b>	(32.65)
Dividend Income	<b>(116.40)</b>	(114.70)
Profit on Sale of Assets	<b>(201.31)</b>	(2,077.52)
Interest Remission	<b>(176.38)</b>	(117.43)
Operating Profit before Working Capital Changes	<b>(765.32)</b>	(654.00)
Decrease in Loans and Advances	<b>415.96</b>	718.32
Decrease in Stock on Hire and Other Current Assets	<b>540.62</b>	351.83
Increase in Current Liabilities and Provisions	<b>(7.10)</b>	469.45
Cash generated from operations	<b>184.17</b>	885.60
Direct Taxes Paid	<b>(49.29)</b>	(237.68)
Net cash from Operating Activities (a)	<b>134.88</b>	647.92
<b>B. Cash Flow from Investing Activities</b>		
Sale of Fixed Assets	<b>327.59</b>	2,756.44
Sale Proceeds of Investments (Net)	<b>110.75</b>	(152.05)
Dividend Income	<b>116.40</b>	114.70
Interest Received	<b>33.68</b>	36.09
Net Cash Flow from Investing Activities (b)	<b>588.42</b>	2,755.18
<b>C. Cash Flow from Financing Activities</b>		
Outstanding Deposits Paid off	<b>(700.09)</b>	(3412.56)
Net Increase in Cash and Cash Equivalents (A+B+C)	<b>23.21</b>	(9.46)
Cash and Cash Equivalents at the beginning of the year	<b>65.24</b>	74.70
Cash and Cash Equivalents at the end of the year	<b>88.45</b>	65.24

Manipal  
August 28, 2009

G A REGO  
Executive Director

S R GOWDA  
Director

K B SHETTY  
Director

J M PANDEY  
Company Secretary

**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)

Rs. in Lakhs

Liabilities side:	Particulars	Amount Outstanding	Amount Overdues
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:			
(a) Debentures	: Secured	15799.84	141.88
	: 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			
<b>Assets Side:</b>		<b>Amount outstanding</b>	
(3) Break-up of Loans and Advances including bills receivables [other than those included in(4) below]:			
(a) Secured			578.10
(b) Unsecured			3358.93
(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			421.71
(b) Operating Lease			....
(ii) Stock on hire including hire charges under sundry debtors:			
(a) Assets on hire			1968.90
(b) Repossessed Assets			4.89
(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	18.97
	(b) Preference	....
(ii) Debentures and Bonds		....
(iii) Units of mutual funds		8.44
(iv) Government Securities		15.47
(v) Others (please specify)		

2. Unquoted

(i) Shares :	(a) Equity	1920.32
	(b) Preference	200.00
(ii) Debentures and Bonds		7.50
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others (please specify)		877.94

(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	188.99	110.07	290.06
<b>Total</b>	<b>188.99</b>	<b>110.07</b>	<b>299.06</b>



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

Category	Market Vale/Break up or fair value or NAV	Book value (Net of provisions)
**		
1. Related Parties		
(a) Subsidiaries	877.94	599.54
(b) Companies in the same group	....	....
(c) Other related parties	....	....
2. Other than related parties	2170.69	1498.93
<b>Total</b>	<b>3048.63</b>	<b>2098.47</b>

\*\* 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	7592.45
(ii) Net Non-performing Assets	
(a) Related parties	....
(b) Other than related parties	936.65
(iii) Assets acquired in satisfaction of debt	....

Notes:

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



**Auditor's Report to the Board of Directors on the consolidated Financial Statements of Maha Rashtra Apex Corporation Ltd and its subsidiaries.**

1. We have audited the attached consolidated Balance Sheet of Maha Rashtra Apex Corporation Ltd, (the company) and its subsidiaries as at 31st March 2009 and also the Consolidated Profit and Loss Account and also Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's Management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted an audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiaries whose financial statements reflect total assets (net) of Rs.157.63 lakhs as at 31st March 2009, the total revenue of Rs.30.85 lakhs and net cash flows amounting to Rs. 28.53 lakhs for the year ended on that date. These financial statements have been audited by other auditors whose reports have been 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.
4. We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirements of Accounting Standard AS 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
5. *The company has prepared its accounts on going concern basis despite the erosion of its entire net worth, as the liabilities of the company have been restructured by the scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka (refer note No.B(2) of schedule M).*
6. *The company has not made provisions after 1st April 2000 as required under Prudential Norms of RBI as the management is of the view that it will be able to monitor effectively the deficit in operation but we are unable to comment on the ultimate realisability of company's assets.*
7. *The company has valued the liability in respect of leave encashment as per a actual valuation as per AS-15 (Revised). The gratuity and EPF Contribution are debited to Profit and Loss Account. The disclosure as required under AS-15 (Revised) is not followed.*
8. Further to our comments in para 5 and 6 above, we report that on the basis of the information and explanations given to us and on the consideration of the separate audit report on the individual audited financial statements of the subsidiaries, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) in the case of consolidated balance sheet, of the state of affairs of the company and its subsidiaries as at 31st March 2009;
  - ii) in the case of consolidated Profit and Loss account, of the profit for the year ended on that date: and
  - iii) in the case of consolidated Cash Flow Statement, of the Cash flows for the year ended on that date.

UDUPI  
August 28, 2009

for RAO & SWAMI  
Chartered Accountants

P V SHENOY  
Partner  
Membership No.020205

**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2009**

Rs. in lakhs

	Schedule	CURRENT YEAR 31.03.2009	PREVIOUS YEAR 31.03.2008
<b>SOURCES OF FUNDS:</b>			
Share Capital	A	1442.70	1442.70
Secured Loans	C	15799.84	17516.83
Minority interest		0.33	0.34
<b>TOTAL</b>		<b>17242.87</b>	<b>18959.87</b>
<b>APPLICATION OF FUNDS:</b>			
Fixed Assets:	D		
Gross Block		2806.32	3036.70
Less: Depreciation		1888.78	1922.11
		917.54	1114.59
Less: Lease Equalisation		386.86	505.27
Net Block		530.68	609.32
Investments	E	2267.45	2267.46
Current Assets and Loans and Advances			
Current Assets	F	4335.50	4961.90
Loans and Advances	G	4705.11	5452.13
		9040.61	10414.03
Less: Current Liabilities & Provisions	H	3437.69	3376.04
Net Current Assets		5602.92	7037.99
Profit & Loss a/c		11069.33	10737.02
Less: Reserves	B	(2227.51)	(1691.92)
		8841.82	9045.10
<b>TOTAL</b>		<b>17242.87</b>	<b>18959.87</b>

For Notes on Accounts - Schedule M

 GAREGO  
 Executive Director

 KB SHETTY  
 Director

 SR GOWDA  
 Director

 JM PANDEY  
 Company Secretary

 As per our attached  
 Report of even date,  
 for RAO & SWAMI  
 Chartered Accountants

 P V SHENOY  
 Partner  
 Membership No. 020205

 Manipal  
 August 28, 2009

 Udupi  
 August 28, 2009





**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31st MARCH, 2009**

Rs. in lakhs

	Schedule	CURRENT YEAR 31.03.2009	PREVIOUS YEAR 31.03.2008
<b>INCOME :</b>			
Income from Operations	I	201.44	181.99
Other Income	J	615.33	2444.71
<b>TOTAL</b>		<b>816.77</b>	<b>2626.70</b>
<b>EXPENSES:</b>			
Interest	K	361.11	351.37
Administrative Expenses	L	681.95	588.85
Depreciation		90.70	98.59
<b>TOTAL</b>		<b>1133.76</b>	<b>1038.81</b>
Profit/(Loss) after Interest & Depreciation		(316.99)	1587.89
Add/less: Lease Equalisation		49.46	58.39
Profit/(Loss) after Tax		(267.53)	1646.28
Provision for Current Tax		(0.14)	(300.58)
Income Tax for Earlier Years		(2.52)	0.00
Provision for FBT		(1.36)	(1.21)
Deferred tax Liability		0.00	0.28
Profit/(Loss) after Tax		(271.55)	1344.77
Provision for diminution in value of investments		(46.00)	3.88
Less: Prior period Expenses		(14.75)	(0.49)
		(332.30)	1348.16
Less: Minority interest		(0.01)	0.08
Profit/(Loss) after Minority Interest		(332.31)	1348.24
Add: Balance of Loss from previous year		(10737.02)	(12085.26)
Balance carried to Balance Sheet		(11069.33)	(10737.02)

For Notes on Accounts - Schedule M

GAREGO  
Executive Director

KB SHETTY  
Director

SR GOWDA  
Director

JM PANDEY  
Company Secretary

As per our attached  
Report of even date,  
for RAO & SWAMI

Chartered Accountants  
P V SHENOY  
Partner  
Membership No.020205

Manipal  
August 28, 2009

Udupi  
August 28, 2009



**SCHEDULES FORMING THE PART OF CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2009 (Contd.)**

Rs. in lakhs

	<b>CURRENT YEAR</b> 31.03.2009	<b>PREVIOUS YEAR</b> 31.03.2008
<b>SCHEDULE A: SHARE CAPITAL</b>		
Authorised :		
20000000 Equity shares of Re. 10/- each	<b>2000.00</b>	2000.00
20000000 Redeemable cumulative preference shares of Rs. 10 each	<b>2000.00</b>	2000.00
(P.Y 200000000 Equity Shares of Rs. 1/- each and 200000000 Redeemable cumulate preference shares of Rs. 10/- each)	<u>4000.00</u>	<u>4000.00</u>
Issued:		
14150100 Equity shares of Re. 10/- each	<b>1415.01</b>	1415.01
1763500 17.5% Redeemable cumulative preference shares of Rs. 10 each	<b>176.35</b>	176.35
6236500 14% Redeemable cumulative preference shares of Rs. 10 each	<b>623.65</b>	623.65
	<u>2215.01</u>	<u>2215.01</u>
Subscribed and paid up:		
a) 14150100 Equity shares of Re. 10/- each, fully called up (P.Y 14150100 Equity Shares of Rs. 10/- each fully called up)	<b>1415.01</b>	1415.01
less: calls unpaid (Dues from Directors -nil-)	<b>3.93</b>	3.93
	<u>1411.08</u>	<u>1411.08</u>
Of the above:		
1) 11667 Equity shares of Rs. 10/- each were allotted as fully paid pursuant to terms of amalgamation without payment received in cash		
2) 400000 Equity shares of Re. 10/- each allotted as fully paid bonus shares on capitalisation of reserves.		
3) 408240 Equity shares of Rs. 10/- each allotted as fully paid bonus shares on capitalisation of share premium account		
316200 14% Redeemable cumulative preference shares of Rs. 10/- each	<b>31.62</b>	31.62
<b>TOTAL</b>	<b>1442.70</b>	1442.70



**SCHEDULES FORMING THE PART OF CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2009 (Contd.)**

Rs. in lakhs

	<b>CURRENT YEAR 31.03.2009</b>	<b>PREVIOUS YEAR 31.03.2008</b>
<b>SCHEDULE B: RESERVES AND SURPLUS</b>		
a) Capital Reserve	<b>1212.69</b>	677.10
b) Capital Redemption Reserve	<b>176.35</b>	176.35
c) Share Premium	<b>997.48</b>	997.48
d) General Reserve	<b>226.52</b>	226.52
e) Special Reserve	<b>159.52</b>	159.52
Less: Goodwill	<b>(545.05)</b>	(545.05)
<b>TOTAL</b>	<b><u>2227.51</u></b>	<u>1691.92</u>
<b>SCHEDULE C: SECURED LOANS</b>		
From others	<b>15799.84</b>	17516.83
Unpaid Creditors being outstanding Bonds and Deposits maturing after 31.03.2002 and Inter Corporate Deposit (Secured by first charge of Co's financial assets, book debts and pledge of shares)		

**SCHEDULE D: FIXED ASSETS**

Rs. in lakhs

COMPANY ASSETS	Gross Block (at cost)			Depreciation					Net Block	
	As on 01.04.08	Addition	Deletion	As on 31.03.09	Upto 31.03.08	For the Year	On Assets Sold	Upto 31.03.09	As on 31.03.09	As on 31.03.08
Land	37.34	0.00	0.00	<b>37.34</b>	0.00	0.00	0.00	<b>0.00</b>	<b>37.34</b>	37.34
Buildings	607.98	8.62	69.35	<b>547.25</b>	176.93	7.73	11.80	<b>172.86</b>	<b>374.39</b>	431.05
Office Furniture and Equipment	558.71	3.78	17.56	<b>544.93</b>	464.18	16.71	16.65	<b>464.24</b>	<b>80.69</b>	94.53
Motor Car and other Vehicles	13.18	0.54	0.79	<b>12.93</b>	7.41	0.93	0.79	<b>7.55</b>	<b>5.38</b>	5.77
<b>TOTAL</b>	<b>1217.21</b>	<b>12.94</b>	<b>87.70</b>	<b>1142.45</b>	<b>648.52</b>	<b>25.37</b>	<b>29.24</b>	<b>644.65</b>	<b>497.80</b>	<b>568.69</b>
<b>ASSETS ON LEASE</b>										
Plant and Machinery	1778.84	0.00	149.59	<b>1629.25</b>	1238.40	64.66	91.80	<b>1211.26</b>	<b>417.99</b>	540.44
Motor Vehicles	15.67	0.00	0.00	<b>15.67</b>	15.66	0.00	0.00	<b>15.66</b>	<b>0.01</b>	0.01
Gas Cylinder	3.20	0.00	0.00	<b>3.20</b>	3.20	0.00	0.00	<b>3.20</b>	<b>0.00</b>	0.00
Furniture	21.78	0.00	6.03	<b>15.75</b>	16.33	0.66	2.98	<b>14.01</b>	<b>1.74</b>	5.45
<b>TOTAL</b>	<b>1819.49</b>	<b>0.00</b>	<b>155.62</b>	<b>1663.87</b>	<b>1273.59</b>	<b>65.32</b>	<b>94.78</b>	<b>1244.13</b>	<b>419.74</b>	<b>545.90</b>
<b>GRAND TOTAL</b>	<b>3036.70</b>	<b>12.94</b>	<b>243.32</b>	<b>2806.32</b>	<b>1922.11</b>	<b>90.69</b>	<b>124.02</b>	<b>1888.78</b>	<b>917.54</b>	<b>1114.59</b>

**SCHEDULES FORMING THE PART OF CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2009 (Contd.)**

Rs. in lakhs

	<b>CURRENT YEAR</b> 31.03.2009	<b>PREVIOUS YEAR</b> 31.03.2008
<b>SCHEDULE E: INVESTMENTS</b>		
Long term: at cost		
a) Government securities		
6 year NSC at cost	<b>0.14</b>	0.14
b) Trustee securities		
1518 6.75% Tax Free US 64 Bonds of Rs. 100/- each	<b>0.00</b>	1.51
83800 units of UTI- masterplus-91, of Rs. 10 each	<b>14.41</b>	14.41
6500 units of UTI- mastershare, of Rs. 10 each	<b>0.92</b>	0.92
c) Other Investments:		
1) Quoted Equity Shares		
20000 Voltas Ltd. shares of Re. 1/- each	<b>2.92</b>	2.92
2200 Tata Power Co. Ltd. shares of Rs. 10/- each	<b>2.62</b>	2.62
56000 Centurian Bank of Punjab Ltd. shares of Rs. 10/- each	<b>0.00</b>	6.84
1931 HDFC Bank shares of Rs. 10/- each	<b>6.83</b>	0.00
16000 ICDS Ltd shares of Rs. 10/- each	<b>6.59</b>	6.59
25000 Parekh Platinum Ltd. shares of Rs. 10/- each	<b>24.06</b>	24.06
10000 India Cements Capital and Finance Ltd. shares of Rs. 10/- each	<b>1.50</b>	1.50
2) Unquoted Debentures		
750 Jay Rapid Roller Ltd. Debentures of Rs. 1000 each	<b>7.50</b>	7.50
3) Unquoted Equity Shares		
3000 GICC Ltd. shares of Rs. 10/- each	<b>0.30</b>	0.30
2000 Shamrao Vittal Co-op. Bank Ltd. - shares of Rs. 25/- each	<b>0.50</b>	0.50
36368 Rajmahal Hotels Ltd. shares of Rs. 10/- each	<b>0.76</b>	0.76
58436 Mangala Investments Ltd. shares of Rs. 10/- each	<b>1.50</b>	1.50
352000 Manipal Motors Pvt. Ltd. shares of Rs. 10/- each	<b>35.28</b>	35.28
600000 Manipal Home Finance Ltd. shares of Rs. 10/- each	<b>60.40</b>	60.40
65990 Manipal Springs Ltd. shares of Rs. 100/- each	<b>66.32</b>	66.32
4000 MPL Finance and Leasing Ltd. shares of Rs. 10 each	<b>1.65</b>	1.65
116102 Manipal E'Commerce Ltd. shares of Rs. 10/- each	<b>11.61</b>	11.61
5692804 Kurlon Ltd. shares of Re. 10/- each	<b>1714.44</b>	1714.44
171400 Premier Consolidated Capital Trust shares of Rs. 10/- each	<b>25.05</b>	25.05
Investment in immovable Property, Land & Building Partnership Firm	<b>193.47</b>	191.96
	<b>4.26</b>	4.26
4900 Brookly Hills shares of Rs. 10/- each	<b>0.98</b>	0.98
750000 Manipal Automobiles Pvt. Ltd. shares of Rs. 10/- each	<b>75.00</b>	75.00
d) Mutual Funds		
54001.28 FT India - Balanced Fund (Growth) of Rs. 10/- each @ Rs. 15.62 each	<b>8.44</b>	8.44
(Total market value of shares, debentures, trusty securities and mutual funds - Rs. 88.85 lakhs)		
<b>TOTAL</b>	<b>2267.45</b>	2267.46



**SCHEDULES FORMING THE PART OF CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2009 (Contd.)**

Rs. in lakhs

	<b>CURRENT YEAR 31.03.2009</b>	<b>PREVIOUS YEAR 31.03.2008</b>
<b>SCHEDULE F: CURRENT ASSETS</b>		
Considered good		
Interest accrued on Investments	<b>11.94</b>	0.79
Unsecured and Considered good		
Commission and rent receivable		
Due for more than 6 months	<b>574.26</b>	651.05
Others	<b>0.15</b>	2.61
Sundry Debtors		
Due for more than 6 months	<b>994.20</b>	985.86
Others	<b>15.45</b>	53.15
Motor vehicles/machineries given on Hp contract	<b>1968.90</b>	2415.21
Repossessed Vehicle at cost	<b>4.89</b>	4.71
Stock of Deceased Assets	<b>106.85</b>	131.95
Inventories	<b>0.08</b>	0.08
Stock of Stationery on hand at cost	<b>0.79</b>	0.99
Stamps in hand	<b>0.19</b>	0.21
Cash in hand	<b>6.04</b>	9.26
With scheduled bank in OD/ C/A	<b>118.65</b>	63.70
With scheduled bank in deposit A/c	<b>533.11</b>	642.33
<b>TOTAL</b>	<b><u>4335.50</u></b>	<b><u>4961.90</u></b>
<b>SCHEDULE-G: LOANS AND ADVANCES</b>		
A) Secured		
Demand loan	<b>544.95</b>	559.54
Bills discounted	<b>33.15</b>	85.40
B) Unsecured		
Bills discounted	<b>277.85</b>	285.47
Advances for which the Company holds no other security than Debtors Personal Security	<b>3086.08</b>	3377.49
Other Deposit	<b>75.74</b>	81.15
Advance recoverable in cash or kind	<b>173.85</b>	215.33
Advance income-tax and TDS (less provision)	<b>507.96</b>	843.80
Advance FBT	<b>5.53</b>	3.95
<b>TOTAL</b>	<b><u>4705.11</u></b>	<b><u>5452.13</u></b>

**SCHEDULES FORMING THE PART OF CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2009 (Contd.)**

Rs. in lakhs

	<b>CURRENT YEAR 31.03.2009</b>	<b>PREVIOUS YEAR 31.03.2008</b>
<b>SCHEDULE-H : CURRENT LIABILITIES AND PROVISIONS</b>		
A) Current Liabilities		
Sundry Creditors	284.75	307.22
Matured Deposits with interest	141.88	192.98
Unclaimed deposits-investor	0.99	0.48
Delayed Period Interest	865.17	505.75
Collection and other account	491.11	503.37
Interest accrued but not due	0.00	2.23
Liabilities for expenses	17.88	20.55
B) Provisions		
For NPA	1262.28	1262.28
For Reduction in value of Investments other liabilities	317.10	271.11
Provision for FBT	51.68	306.47
	4.85	3.60
<b>TOTAL</b>	<b><u>3437.69</u></b>	<b><u>3376.04</u></b>
<b>SCHEDULE I : INCOME FROM OPERATION</b>		
Hire Purchase Charges	138.70	133.56
Interest on Investments	44.89	32.65
Lodging Business	4.80	4.55
Income from Recovery of Decreed Assets	10.49	11.23
Job Receipts	2.56	0.00
<b>TOTAL</b>	<b><u>201.44</u></b>	<b><u>181.99</u></b>
<b>SCHEDULE J : OTHER INCOME</b>		
Miscellaneous Receipts	0.30	0.49
Service Charges	2.31	3.98
Income from House Property	30.15	27.49
Dividend Income	116.40	114.70
Bad Debts Recovered	73.90	91.60
Profit on sale of assets/investments	201.31	2077.52
Interest Remission	176.38	117.43
Rent Receipt	9.17	11.50
Compensation Charges	5.41	0.00
<b>TOTAL</b>	<b><u>615.33</u></b>	<b><u>2444.71</u></b>



**SCHEDULES FORMING THE PART OF CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2009 (Contd.)**

Rs. in lakhs

	<b>CURRENT YEAR 31.03.2008</b>	<b>PREVIOUS YEAR 31.03.2008</b>
<b>SCHEDULE K: INTEREST EXPENDITURE</b>		
Others	<b>361.11</b>	351.37
<b>TOTAL</b>	<b><u>361.11</u></b>	<b><u>351.37</u></b>
<b>SCHEDULE L: ADMINISTRATION AND OTHER EXPENSES</b>		
Advertisement Charges	<b>13.52</b>	0.88
Bad Debts	<b>451.33</b>	370.38
Bank Charges	<b>1.52</b>	0.79
Commission	<b>24.85</b>	18.59
Compensation Charges paid	<b>1.20</b>	1.20
Computer and other Service Charges	<b>17.12</b>	11.57
Contribution to Provident and other Funds	<b>6.88</b>	7.08
Electricity Charges	<b>3.09</b>	5.13
Filing Fees	<b>0.31</b>	1.51
Fire and other Insurance Premium	<b>0.51</b>	0.70
General Charges	<b>14.88</b>	15.50
Gratuity	<b>3.23</b>	2.15
Loss on Sale of Fixed Assets	<b>0.00</b>	0.85
Newspapers, Books and Periodicals	<b>0.25</b>	0.24
Other Repairs	<b>5.05</b>	0.40
Postage and Telephone Charges	<b>7.72</b>	12.00
Printing and Stationery	<b>1.76</b>	2.65
Professional and Legal Expenses	<b>12.41</b>	22.42
Directors Sitting Fee -SNC Meeting	<b>0.54</b>	1.45
Recovery expenses on Deceased Assets	<b>1.48</b>	1.94
Reimbursement of Recovery Expenses	<b>0.77</b>	1.62
Remuneration to Auditors		
Audit Fees	<b>2.46</b>	2.44
Certification Charges	<b>0.25</b>	0.25
Out of Pocket Expenses	<b>0.39</b>	0.40
Rental Expenditure	<b>9.35</b>	11.75
Repairs to Buildings	<b>3.63</b>	4.78
Salary and Bonus	<b>66.28</b>	66.32
Interest Tax	<b>3.31</b>	0.00
Accounting/other expenses	<b>4.92</b>	0.00
Share Issue Expenses	<b>0.00</b>	0.47
Staff Welfare Expenses	<b>4.74</b>	4.93
Stamp duty paid	<b>0.00</b>	0.01
Taxes and License	<b>3.79</b>	4.28
Travelling Expenses	<b>9.99</b>	9.86
Vehicle Maintenance	<b>4.42</b>	4.31
<b>TOTAL</b>	<b><u>681.95</u></b>	<b><u>588.85</u></b>

**SCHEDULE - M: ACCOUNTING POLICY AND NOTES FORMING PART OF THE ACCOUNTS FOR THE 12 MONTHS PERIOD ENDED 31ST MARCH, 2009:**

**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 31.03.2009
EL'DORADO INVESTMENTS CO. PVT.LTD.	India	76.00%
MAHARASHTRA APEX ASSET MANAGEMENT CO.LTD.	India	99.99%
RIVIERA STEELS PVT.LTD.	India	100.00%
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 31.03.2009
EL'DORADO SHARE SERVICES PVT. LTD	89.98%
DAGNY INVESTMENTS PVT. LTD	99.82%

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 Co., i.e., year ended 31st March, 2009.

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.





3. Accounting and Income recognition:
  - a) 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.
  - b) The income from Bank Deposits and Government Securities are accounted on accrual basis.
  - c) Dividend on shares, Interest on Debentures, income from Non-Performing Assets and Overdue Compensation, Income from suit filed accounts and Miscellaneous Income are accounted as and when received.
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 upto 31.3.2002 as per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Karnataka.
6. Investments are long-term investments and are valued at cost. 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 (Refer Note No.B.3).
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, unmatured 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.
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 Rs. 1665.89 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:*

(Rs. in lakhs)

a) Provision for non-performing assets	(880.98)
b) Provision for diminution in the value of investments	(229.15)
c) De-recognition of Income on Non-Performing Assets	(96.94)

*Total short provision as on 31.03.2009* : *Rs. 74.11 crores*

4. **Current assets, Loans & Advances and Sundry Debtors include:**
  - i. Due from officers of the holding Company Rs.1.25 lakhs.
  - ii. Dues from Private Limited Companies in which Directors are interested Sundry Debtors of Rs.2.08 lakhs.
5. *In the books of the holding company, the difference between the face value of bonds/deposits and the amount paid in full and final settlement of the same under hardship as per the Scheme Rs.535.59 lakhs is transferred to capital reserve.*



6. Contingent Liabilities:

- i) Suits against the holding company for damages not acknowledged as debt Rs.1.29 lakh.
- ii) No provision is made in the accounts for disputed income-tax liability aggregating to Rs.468.97 lakh for the assessment years 1992-93 to 2001-02 as the appeals filed by the Company are pending disposal. The same has been adjusted by the Department towards refund due.
- iii) No provision is made in the accounts for the disputed sales tax liability amounting to Rs.17.54 lakh for the Assessment Year 1994-95 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 Rs.17.14 lakhs.

7. 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 represent that of the Subsidiaries.

8. Related Party Disclosures

Key Management Personnel:

Sri GARego

9. Earning Per Share

(Rs.in lakhs)

Description	March 31, 2009	March 31, 2008
a) Net profit/loss available for equity shareholders (in lakh) numerator used for calculation	(281.81)	1348.97
	(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	(1.99)	9.53

10. Figures for the previous year have been regrouped and rearranged wherever necessary.

GAREGO  
Executive Director

KBSHETTY  
Director

As per our attached  
Report of even date,  
for RAO & SWAMI  
Chartered Accountants

SRGOWDA  
Director

JMPANDEY  
Company Secretary

PVSHENOY  
Partner  
Membership No.020205  
Udupi  
August 28, 2009

Manipal  
August 28, 2009

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2009**

Rs. in lakhs

	<b>CURRENT YEAR 31.03.2009</b>	<b>PREVIOUS YEAR 31.03.2008</b>
<b>A. Cash Flow from Operating Activities</b>		
Profit /( Loss) before Tax	(267.53)	1,650.17
Adjustments for : Depreciation	90.70	96.52
Lease Equalisation	(49.46)	(58.39)
Interest on Investments	(44.89)	(32.65)
Dividend Income	(116.40)	(114.70)
Profit on Sale of Assets	(201.31)	(2,077.52)
Interest Remission	(176.38)	(117.43)
	<u>(765.26)</u>	<u>(654.00)</u>
Operating Profit Before Working Capital Changes		
Changes in Working Capital		
Increase/Decrease in Loans and Advances	712.76	365.68
Increase/Decrease in Stock on Hire and Other Current Assets	508.18	806.34
Increase/(Decrease) in Current Liabilities and Provisions	(246.48)	217.67
	<u>209.20</u>	<u>735.69</u>
Cash Generated from Operations		
Direct Taxes Paid	(49.28)	(237.84)
Net Cash from Operating Activities	<u>159.92</u>	<u>497.85</u>
<b>B. Cash flow from Investing Activities</b>		
Sale of Fixed Assets ( Net)	329.29	2759.52
Sale Proceeds of Investments (Net)	109.23	47.43
Dividend Income	116.40	114.70
Interest Received	33.74	36.01
Net Cash from Investing Activities	<u>588.66</u>	<u>2957.66</u>
<b>C. Cash Flow from Financing Activities</b>		
Deposits Paid off	(696.84)	(3465.56)
Net Cash Used in Financing Activities	<u>(696.84)</u>	<u>(3465.56)</u>
Net Increase / Decrease in Cash and Cash Equivalents (A+B+C)	<u>51.74</u>	<u>(10.05)</u>
Cash and Cash Equivalents at the beginning of the year	72.96	83.01
Cash and Cash Equivalents at the end of the year	<u>124.70</u>	<u>72.96</u>

 Manipal  
 August 28, 2009

 G A REGO  
 Executive Director

 S R GOWDA  
 Director

 K B SHETTY  
 Director

 J M PANDEY  
 Company Secretary

# Maharashtra Apex Asset Management Company Limited



## NOTICE

NOTICE is hereby given that the 14th Annual General Meeting of the Members of **Maha Rashtra Apex Asset Management Company Ltd.** will be held on Thursday, the 10th September, 2009 at 4.00 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:

- To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2009 and the Balance Sheet as at that date and the Report of the Board of Directors and Auditors thereon.
- To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual Meeting and to fix their remuneration.

By Order of the Board,

Place: Bangalore  
Date: 30.07.2009

(GAREGO)  
Director

## DIRECTORS' REPORT

To  
The Members,  
Your Directors have pleasure in presenting herewith the Fourteenth Annual Report together with the Audited Accounts of the Company for the year ended on 31st March 2009.

### WORKING

Your Directors are to report that during the year the operation of the Company results in a Net Loss of Rs. 15.64 lakhs (PY: Profit of Rs. 0.78 lakhs).

### DIVIDEND

In view of loss during the year, your Directors regret their inability to recommend any dividend for the year under review. 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 2009, 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 loss 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 2009 on a 'going concern' basis.

**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:

The Company has no activities relating to conservation of energy or technology absorption. There were no foreign exchange earnings or outgo during the year under consideration.

**PARTICULARS OF EMPLOYEES:** The Company had no employees of the category mentioned in Section 217(2A) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.

**AUDITORS:** M/s. Vasudev Pai & Co., Chartered Accountants, Auditors of the Company hold the office till the conclusion of forth coming Annual General Meeting and are eligible for reappointment.

On Behalf of the Board of Directors

Director Director

Place : Bangalore  
Dated : 30.07.2009

VASUDEV PAI & CO.,  
Chartered Accountants,  
S-401, Manipal Centre, 47, Dickenson Road, Bangalore 560042

## AUDITOR'S REPORT

To the Members of  
Maharashtra Apex Asset Management Limited

We have audited the attached Balance Sheet of Maharashtra Apex Asset Management Limited as at 31st March 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

- As required by the Companies (Auditor's Report) Order, 2003, as amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order to the extent applicable to the Company during the year.
- Further to our comments in the Annexure referred to above, 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 the books;
  - The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - On the basis of the written representations received from the Directors as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting Policies and the Notes on Accounts in Schedule 'I', give the information required by the Companies Act, 1956 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 2009; And
    - in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date

For VASUDEV PAI & CO.  
Chartered Accountants

T. VASUDEV PAI  
Proprietor

Place: Bangalore  
Dated: 30.07.2009

## ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 1 of our Report of even date

- The Company does not have any fixed assets and as such Clauses 4(i) (a) to 4(i)(c) are not applicable.
- 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 clauses ii (a) to ii (c) are not applicable.
- (a) The Company has not granted secured or unsecured loans to Companies, Firms or Other Parties covered under Section 301 of the Companies Act 1956, except interest free advance to its Holding Company. The balance outstanding as receivable as at 31st March 2009 and the maximum balance outstanding during the year are Rs. 217.83 lakhs and Rs. 217.83 lakhs respectively (PY: Rs. 194.95 lakhs and Rs. 194.95 lakhs).
  - The terms and conditions of such advances are not, in our opinion, prima facie, prejudicial to the interest of the Company.
  - There is no stipulation in respect of repayment of the above-referred advance.
  - 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 Companies Act, 1956.
- In our opinion, there are adequate internal control procedures 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 decree debts. During the course of audit, no major weakness has been noticed in the internal controls.

# Maharashtra Apex Asset Management Company Limited



## Balance Sheet as at 31.03.2009

5. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act 1956, to the best of our knowledge and belief:

a) The transactions that needed to be entered into the register have been so entered.

6. The Company has not accepted deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 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 Companies Act 1956 for any of the products of the Company.

9. i) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Income Tax, Professional Tax, Sales Tax, Service Tax, Cess and other Statutory Dues applicable to it with the appropriate authorities.

ii) According to the information and explanations given to us, except for the cases stated below, there are no undisputed amounts payable in respect Income Tax, Professional Tax, Service Tax, Provident Fund, etc., which were outstanding at the year end for a period of more than six months from the date they become payable.

Name of the Statute	Nature of the dues	Amount (Rs.)
Employees Provident Fund	Employees and Employer's contribution to Provident Fund	1,28,466

There are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess etc., which have been disputed and lying pending as at the close of the year.

10. The Company has accumulated losses at the end of the current financial year, which is less than 50 percent of its net worth. However the Company has 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.

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.

13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

14. The Company has maintained proper records of transactions and contracts in respect of dealing in securities and other investments and timely entries have been made therein. All shares and other investments have been held by the Company in its own name.

15. The Company has not given guarantee for loans taken by others from Banks and financial institutions.

16. The Company has not availed any Term loan during the year. Therefore the provisions of clause 4 (xvi) of the Companies (Auditor Report) Order 2003 as amended 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 Companies Act, 1956.

19. The Company has not raised any monies by way of public issue during the year.

20. The Company has not raised any monies by way of debenture issue during the year.

21. There were no frauds on or by the Company which have been noticed or reported during the year that causes the financial statements to be materially misstated.

for VASUDEVP AI & CO.  
Chartered Accountants

T. VASUDEVP AI  
Proprietor

Place : Bangalore  
Dated: 30.07.2009

DESCRIPTION	SCH	AS AT 31.03.2009 (Amount in Rupees)	AS AT 31.03.2008 (Amount in Rupees)
<b>SOURCE OF FUNDS</b>			
a) Share Capital	A	50,258,000	50,258,000
b) Reserve & Surplus			
i) General Reserve	B	1,471,275	1,471,275
		<u>51,729,275</u>	<u>51,729,275</u>
<b>APPLICATION OF FUNDS</b>			
a) Investments	C	1,840	1,527,920
b) Current Assets	D	11,783,185	13,405,907
c) Loans & Advances	E	21,858,298	19,502,784
		<u>33,641,483</u>	<u>32,908,690</u>
d) Current Liabilities & Provisions	F	(841,144)	(70,231)
<b>NET CURRENT ASSETS</b>			
e) Profit & Loss Account		32,800,340	32,838,459
		<u>18,927,096</u>	<u>17,362,896</u>
		<u>51,729,275</u>	<u>51,729,275</u>

## SIGNIFICANT ACCOUNTING POLICIES NOTES TO THE ACCOUNTS

I  
For and on behalf of Board of Directors

As per our report of even date  
For VASUDEVP AI & CO  
Chartered Accountant

Director

Director

(T. Vasudev Pai)  
Proprietor

PLACE: Bangalore.  
DATE: 30.07.09

## Profit & Loss Account for the year ended 31.03.2009

DESCRIPTION	SCH	AS AT 31.03.2009 (Amount in Rupees)	AS AT 31.03.2008 (Amount in Rupees)
<b>INCOME</b>			
a) Income from Recovery of Decreed Assets		1,049,335	1,123,086
b) Custodian Charges received		-	24,872
c) Interest received on Bank Deposits		5,267	12,093
d) Interest received on IT refunds		-	993
e) Job Receipts (Net)	G	216,674	-
		<u>1,271,275</u>	<u>1,161,044</u>
<b>EXPENDITURE</b>			
a) Administrative Expenses	H	321,553	555,245
b) Bad Debts written-off		987,352	928,408
c) Depreciation		-	14,412
		<u>1,308,906</u>	<u>1,498,065</u>
Profit before Tax / (Loss)		(37,630)	(337,021)
Less: Fringe Benefit Tax		(490)	(1,026)
Add : Provision for Diminution in the value of Investments		(1,526,080)	387,600
		(1,564,200)	49,553
Add : Current Deferred Tax Credit			28,388
Profit after Tax / (Loss)		(1,564,200)	77,941
Add/ (Less) : Balance b/f from previous year		(17,362,896)	(17,440,836)
		<u>(18,927,096)</u>	<u>(17,362,896)</u>

For and on behalf of Board of Directors

As per our report of even date  
For VASUDEVP AI & CO  
Chartered Accountant

Director

Director

(T. Vasudev Pai)  
Proprietor

PLACE: Bangalore.  
DATE: 30.07.2009

# Maharashtra Apex Asset Management Company Limited



Schedule as at 31.03.2009			SCHEDULE - H	
DESCRIPTION	AS AT 31.03.2009 (Amount in Rupees)	AS AT 31.03.2008 (Amount in Rupees)		
<b>SCHEDULE - A</b>			<b>ADMINISTRATIVE EXPENSES</b>	
<b>SHARE CAPITAL</b>			a) Book Keeping charges	6000
a) Authorised Share Capital			b) Bank charges	1907
55,00,000 Equity Shares of Rs.10/- each	55,000,000	55,000,000	c) Computer Maintenance	10450
b) Issued, Subscribed & Paid-up Capital			d) Filing Fees paid	4392
50,25,800 Equity Shares of Rs.10/- each*	50,258,000	50,258,000	f) Deceased Assets Recovery Expenses	147637
(* out of the above, 50,25,100 Equity Shares are held by the Holding Company.)			g) Office Expenses	9560
			h) Printing & Stationeries	7756
			i) Professional Charges	4680
			j) Rental Expenditures	24000
			k) Reimbursement of Recovery Expenses	77372
			l) Telephone charges reimbursed	6520
			m) Travelling expenses reimbursed	1500
			n) Loss on sale of Fixed Assets	0
			o) Auditors Remuneration	
			i) Audit Fees	18000
			ii) Out of Pocket Expenses	1780
				10,000
				3,460
				19780
				321553
				555,245
<b>SCHEDULE - B</b>			<b>SCHEDULE - I:</b>	
<b>RESERVES &amp; SURPLUS</b>			<b>NOTES FORMING PART OF THE PROFIT &amp; LOSS ACCOUNT AND BALANCE SHEET AS AT 31ST MARCH 2009:</b>	
a) General Reserve	1,471,275	1,471,275	<b>1. SIGNIFICANT ACCOUNTING POLICIES:</b>	
			a. System 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.	
			b. Recognition of Income and Expenditures:	
			All items of income and expenditure having a material bearing on the financial statements are recognised on accrual basis. However dividend is accounted on receipt basis.	
			c. Investments:	
			All investments are long term in nature and 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.	
			d. Provision for FBT, Income Tax and Deferred Tax:	
			Provision for FBT & Income Tax is made after taking into consideration benefits admissible under the provisions of the Fringe Benefit Tax and 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. In the opinion of the Board, current assets, loans and advances are of the value stated, and realisable in the ordinary course of business. Provisions have been made for all known liabilities and are adequate.	
			3. Contingent Liability - Nil	
			4. Related party disclosure:	
			a) List of Related parties and Relationship:	
			Relationship	Related Parties
			Holding Company	a) Maha Rashtara Apex Corporation Ltd
			Key Management Personnel	a) Sri G A Rego b) Sri S R Gowda
			Related Party	Relationship
				Nature of Transaction
				2008-09
				2007-08
				Dr. / (Cr.) Rs.
			MRAC Ltd.	Holding Company
				Reimbursement of recovery expenses (net)
				*Unsecured Advances Recoverable
				293867
				419475
				21783004
				19494688
			Outstanding as of 31st March 2009	
			All the above are transacted in the normal course of business.	
			5. There is no deferred tax liability on timing differences as at 31.03.2009. Deferred Tax Assets subject to consideration of prudence have not recognized and carried forward that there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.	
			6. There are no separate reportable segments as per Accounting Standard on Segment Reporting (AS 17).	
<b>SCHEDULE - C</b>				
<b>INVESTMENTS</b>				
a) Unquoted (at cost)				
i) 32000 Equity Shares of Rs. 100/- each of Manipal Springs Pvt. Ltd.	3,216,000	3,216,000		
ii) 152000 Equity Shares of Rs. 10/- each of Manipal Motors Pvt. Ltd.	1,527,600	1,527,600		
	4,743,600	4,743,600		
	4,743,600	4,743,600		
Less: Provision for Diminution in value of Investments.	(4,741,760)	(3,215,680)		
	1,840	1,527,920		
<b>SCHEDULE - D</b>				
<b>CURRENT ASSETS</b>				
a) Stock of Deceased Assets	10,685,441	13,195,475		
B) Sundry Debtors				
i) Over Six months	-	-		
ii) Others	832,216	134,000		
c) Cash in hand	3,000	3,000		
d) Cash with schedule Bank				
i) In Current Accounts	262,528	73,432		
	11,783,185	13,405,907		
<b>SCHEDULE - E</b>				
<b>LOANS &amp; ADVANCES</b>				
a) Advance Recoverable from Holding Company	21,783,004	19,494,688		
b) Advance Recoverable in cash or in kind	-	1,481		
c) Advance Tax & TDS	75,294	6,615		
	21,858,298	19,502,784		
<b>SCHEDULE - F</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>				
<b>A. CURRENT LIABILITIES :</b>				
a) Liability for Expenses	65,602	70,231		
b) Other Liabilities	775,542	-		
	841,144	70,231		
<b>SCHEDULE - G</b>				
<b>JOB RECEIPTS (NET)</b>				
<b>Income</b>				
Job Receipts	3,021,772	-		
Misc. Income	29,430	-		
	3,051,202	-		
<b>Expenses</b>				
Wages paid	2,328,973	-		
Welfare Expenses	2,238	-		
Employer's Contribution to PF	241,464	-		
License fees paid	8,885	-		
Printing & Stationery	30	-		
Service charges paid	252,939	-		
	(2,834,529)	-		
	216,674	-		

# Maharashtra Apex Asset Management Company Limited

# Crimson Estates & Properties Pvt. Ltd.



## 7. Earning per Share:

Earning per Share is calculated by dividing the profit attributable to the equity shareholders by the number of equity shares as under:

	2008-09 (Rs.)	2007-08(Rs.)
Net Profit/(Loss) after Tax	(1564200)	77941
Add(+)/Less(-) Prior Year Adjustments	Nil	Nil
Net Profit/(Loss) attributable to Equity Share Holders	(1564200)	77941
Number of equity shares used as denominator for calculating Basic EPS	5025800	5025800
Earning Per Share of Rs. 10/- each	(0.31)	0.02

8. Considering the current status of investments, adequate provision has been made for the diminution in the value of investments.

9. The Company has not made any provision for Taxation, as there is no taxable income or book profit as defined under Section 115 JB of the Income Tax Act.

10. Figures for previous year have been regrouped/ rearranged, wherever necessary.

For and on behalf of Board of Directors

As per our report of even date  
For VASUDEV PAI & CO.,  
Chartered Accountants,  
T. VASUDEV PAI  
Proprietor

Director Director

Place : Bangalore  
Dated : 30.07.2009

### 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.	: 16881
State Code	: 08
Balance Sheet date	: 31.03.2009

#### 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: (Rs. in lakhs)

Total Liabilities:	: 517.29
Total Assets:	: 517.29

#### Sources of Funds:

Paid-up Capital	: 502.58
Reserves & Surplus	: 14.71

#### Application of funds:

Investments	: 0.02
Net Current Assets	: 328.00
Accumulated Losses	: 189.27

#### 4. PERFORMANCE OF COMPANY:

Turnover	: 12.71
Total Expenditure	: 13.09
Profit/(loss) before Tax	: (0.37)
Profit/(loss) after Tax	: (15.64)
Earning per Share (Rs.)	: (0.31)
Dividend Rate	: -

5. Generic names of three principal products/ services of Company : Not applicable

For and on behalf of Board of Directors

DIRECTOR DIRECTOR

Place : Bangalore  
Date : 30.07.2009

## NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of **CRIMSON ESTATE & PROPERTIES PRIVATE LIMITED** will be held on Wednesday, the 10<sup>th</sup> day of June 2009 at 11.00 a.m. 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 2009 and Profit and Loss Account for the year ended on that date together with the Report of Directors and the Auditors thereon.
- To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual Meeting and to fix their remuneration.

By Order of the Board of Directors,

Director

Place: Mumbai  
Date : 05.05.09

## Note:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

2. 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 Second Annual Report together with the Audited Accounts of the Company for the year ended on 31st March 2009.

## WORKING

During the year under review, your Company posted a net Loss of Rs. 0.73 lacs (PY: Rs. 1.13 lakhs) after meeting necessary expenditure and provision for taxation. Your Directors continue their efforts to improve the working of the Company.

## DIVIDEND

Your Directors do not recommend any dividend in order to conserve the resources.

## 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 2009, 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 Loss 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 2009 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.

**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:** The Company has no activities relating to conservation of energy or technology absorption. There were no foreign exchange earnings or outgo during the year under consideration.

**PARTICULARS OF EMPLOYEES:** The Company had no employees of the category mentioned in Section 217(2A) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.

**AUDITORS:** M/s. VASUDEV PAI & CO., Chartered Accountants, Auditors of the Company hold office till the conclusion of forth coming Annual General Meeting and are eligible for reappointment.

On Behalf of the Board of Directors

Director Director

Place: Mumbai  
DATE: 05.05.09



# Crimson Estates & Properties Pvt. Ltd.



VASUDEV PAI & CO.,  
CHARTERED ACCOUNTANTS  
S-401, Manipal Centre, Dickenson Road, Bangalore 560 042

## AUDITOR'S REPORT

To The Members of Crimson Estate and Properties Pvt. Ltd.

We have audited the attached Balance Sheet of CRIMSON ESTATE AND PROPERTY PRIVATE LIMITED as at 31<sup>st</sup> March 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows:

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to above, 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 purposes of our audit;
  - b) 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 the books;
  - c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) On the basis of the written representations received from the Directors as on 31<sup>st</sup> March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting Policies and the Notes on Accounts in Schedule '10', give the information required by the Companies Act, 1956 in the manner so required give a true and fair view in conformity with the accounting principles generally accepted in India;
    - (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March 2009; And
    - (ii) In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.

for VASUDEV PAI & CO.,  
Chartered Accountant

Place: Mumbai  
Date: 05.05.09

T. Vasudev Pai  
Proprietor

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

1. a) The Company has maintained proper records showing full particulars, including quantitative details an situation of fixed asset.
- b) Fixed asset has been 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 fixed asset.
- c) During the year, the Company has not disposed of any part of fixed asset, which would affect the going concern of the Company.
2. (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) The Company has granted interest free unsecured loan to Holding Company amounting to Rs.1.15 lakhs (PY: NIL). An advance of Rs. 5.00 lakhs (PY: Rs. 5.00 lakhs) is also outstanding from Ex-Director covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding is Rs. 6.15 lakhs (PY: Rs. 5 lakhs).
- (b) There is no stipulation in respect of repayment of principal amount of the advance due from Ex-Director amounting to Rs. 5.00 lakhs.

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

(d) In the absence of the repayment of terms and conditions of advance to Ex-Director, we are unable to form an opinion about its recoverability.

4. (a) The Company has not taken secured or unsecured loans from Companies, Firms or Other Parties covered under Section 301 of the Companies Act 1956, except interest free unsecured advance from its Holding Company and the balance outstanding as payable as at 31<sup>st</sup> March 2009 is NIL (PY: Rs. 3.97 lakhs) and the maximum balance outstanding during the year is Rs. 3.97 lakhs (PY: Rs. 3.97 lakhs).

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

5. In respect of transactions entered in the register maintained in pursuance of Section 301 of the Companies Act 1956, to the best of our knowledge and belief:

a) The transactions that needed to be entered into the register have been so entered.

6. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of fixed assets and for the sale of goods and services. During the course of Audit we have not observed any major weakness in internal controls.

7. The Company has not accepted any deposits from the public and consequently the provisions of Section 58A & 58AA of the Companies Act, 1956 and rules framed there under and directions issued by the Reserve Bank of India are not applicable.

8. 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.

9. According to the information and explanations given to us Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.

10. i) The Company has been regular in depositing undisputed statutory dues including Income-Tax dues 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 FBT, Sales Tax, Provident Fund, Employees State Insurance, Wealth-Tax, Customs Duty, Excise Duty, Investors Education and Protection Fund and Cess are not applicable to the Company.

iii) There are no dues of Sales Tax, Income Tax, FBT, Customs Duty, Wealth Tax, Service Tax and Cess have been disputed and lying pending as at the close of the year.

11. The Company does not have accumulated losses exceeding 50% of its net worth as at the end of the year and has not incurred cash losses during the current financial year but incurred cash losses in the immediately preceding financial year.

12. In our opinion and according to the explanations given to us the Company has not borrowed any amounts from banks, financial institutions or from debentures holders during the year under Audit.

13. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

14. In our opinion the Company is not a Chit Fund, Nidhi or Mutual Benefit Fund/Society. Therefore Clause 4(xiii) of the Companies (Auditors Report) Order 2003 is not applicable to the Company.

15. During the year the Company has not dealt or traded in shares, securities, debentures and other investments. Therefore the provisions of Clause 4(xiv) of the Companies (Auditors Report) Order 2003 as amended are not applicable to the Company.

16. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any banks or financial institutions.

17. In our opinion and according to information and explanations given to us, the Company has not availed any term loan during the year accordingly Clause 4(xvi) of the Companies (Auditors Report) Order 2003 is not applicable.

18. According to the information and explanations given to us, during the year no funds have been raised on short-term basis, which have been used for any long-term investment.

19. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.

20. The Company has not issued any debentures and hence no securities required to be created in respect thereof.

21. The Company has not raised any money through public issue during the year.

22. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

for VASUDEV PAI & CO.,  
Chartered Accountant

T. VASUDEV PAI  
Proprietor

Place: Mumbai  
Dated: 05.05.09

# Crimson Estates & Properties Pvt. Ltd.



BALANCE SHEET AS AT 31ST MARCH 2009				SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT AS AT 31ST MARCH 2009			
DESCRIPTION	SCH	AS AT 31.03.2009 (Amount in Rupees)	AS AT 31.03.2008 (Amount in Rupees)	SCH	DESCRIPTION	AS AT 31.03.09 Rs.	AS AT 31.03.08 Rs.
SOURCE OF FUND:				1	SHARE CAPITAL		
a) Share Holders' Funds:					Authorised		
Share Capital	1	18,000,000	18,000,000		20,00,000 equity shares of Rs.10/- each	20,000,000	20,000,000
		<u>18,000,000</u>	<u>18,000,000</u>		Issued, Subscribed and Paid-up:		
APPLICATION OF FUNDS					18,00,000 equity shares of Rs.10/- each	18,000,000	18,000,000
a) Fixed Assets	2				fully paid-up		
Gross Block		1,812,937	1,812,937		(of the above 1799950 Eq. Shares are	18,000,000	18,000,000
Less: Depreciation		(1,224,969)	(1,194,023)		Held by the holding Company)	18,000,000	18,000,000
Net Block		587,968	618,914				
b) Investments	3	4,009,120	4,110,970	2	FIXED ASSETS		
c) Current Assets, Loans & Advances:					GROSS BLOCK		
Inventories	4	7,800	7,800		DEPRECIATION		
Sundry Debtors	5	9,330,834	9,330,834		NET BLOCK		
Cash & Bank Balance	6	438,317	159,258		Description	As on 1-Apr-08	As on 31-Mar-09
Loans & Advances	7	2,158,469	2,707,921		Office Premises	1,812,937	1,812,937
						1,812,937	1,812,937
		11,935,420	12,205,813			30,946	30,946
Less:						1,224,969	1,224,969
Current Liabilities & Provisions:	8					587,968	618,914
Current Liabilities		(968,178)	(797,861)	3	INVESTMENTS: (Non Trade)		
Provisions		(51,500)	(300,000)		(Long term at cost)	31.03.09 Qty.	31.03.08 Qty.
Net Current Assets		10,915,742	11,107,953		Shares	Face Value	31.03.09 Rs.
d) Profit & Loss Account		2,487,170	2,162,163		(a) Quoted		31.03.08 Rs.
		<u>18,000,000</u>	<u>18,000,000</u>		India Cements Capital & Finance Ltd.	10,000	150,000
					Parekh Platinum Ltd	25,000	2,406,250
					El Dorado Investments Co. Pvt.Ltd.	240,000	2,400,000
					Premier Consolidated Capital Trust (I) Ltd	95,000	950,000
					(c) Investments in immovable property Land & Building		545,120
					Less: Provision for Diminution in value of Investments		6,451,370
							(2,340,400)
							<u>4,110,970</u>
							215,850
Significant Accounting Policies & Notes to the Accounts	10			4	INVENTORIES:		
For and on behalf of Board of Directors					(As taken valued and certified by the Management at lower of cost or market value)	7,800	7,800
Director	Director			5	SUNDRY DEBTORS (Considered Good)		
					More than Six months	9,330,834	9,330,834
						<u>9,330,834</u>	<u>9,330,834</u>
PLACE: Mumbai				6	CASH AND BANK BALANCES:		
DATE: 05.05.09					Cash on hand	97,289	96,389
					Balance with Scheduled Bank in Current Account	341,028	62,869
						<u>438,317</u>	<u>159,258</u>
				7	LOANS AND ADVANCES:		
					(Unsecured, Considered good)		
					Advance to Ex-Director	500,000	500,000
					Advance recoverable in cash or in kind or for value to be received	348,548	539,301
					Advance to Holding Company	115,303	-
					Deposits with others	1,091,100	1,091,100
					Advance Tax & TDS	103,518	577,520
						<u>2,158,469</u>	<u>2,707,921</u>
				8	CURRENT LIABILITIES & PROVISIONS		
					Current Liabilities:		
					Sundry Creditors	-	78,049
					Other Liabilities	945,390	276,990
					Advance from Holding Company	-	397,382
					Creditors for Expenses	22,788	45,440
						<u>968,178</u>	<u>797,861</u>
					Provisions:		
					Provision for taxation	51,500	300,000
						<u>51,500</u>	<u>300,000</u>
				9	ADMINISTRATIVE, FINANCIAL & OTHER EXPENSES		
					Secretarial Charges	8,000	8,500
					Professional Fees	25,629	12,811
					Auditors Remuneration	13,788	13,720
					Maintenance Charges	58,101	24,159
					Accounting charges	9,000	9,000
					Office Expenses	11,713	4,565
					Property Tax paid	-	8,181
						<u>126,231</u>	<u>80,936</u>

# Crimson Estates & Properties Pvt. Ltd.



## Schedule - 10

### NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009.

#### A) Significant Accounting Policies:

- Accounting Concepts: 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.
- Recognition of Income and Expenditure:
  - All items of income and expenditure have a material bearing on the financial statements are recognised on accrual basis.
  - Dividend income is accounted on receipt basis.
- Investments: Investments are stated 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.
- Fixed Assets: Fixed Assets are capitalized at cost inclusive of legal and / or installation expenses.
- Depreciation: Depreciation is provided under the "Written Down Value Method" at rates provided by Schedule XIV to the Companies Act, 1956.
- Stock-in-Trade: Shares, Debentures & Securities are valued at lower of the cost or market value.
- Provision for FBT, Income Tax and Deferred Tax: Provision for FBT & 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 if it is significant.

#### B. NOTES ON ACCOUNTS:

- In the opinion of the Board, the Current Assets, Loans and Advances are realisable in the ordinary course of business. The provisions for all known liabilities have been made and are adequate.
- Quantitative information in pursuance of Part II of Schedule VI of the Companies Act, 1956.

	Qty.	31.03.09 Amount Rs.	Qty.	31.03.08 Amount Rs.
Opening Stock Equity Shares-quoted	1088	7800	638	7800
Purchases Equity Shares-quoted	-	-	-	-
Closing Stock Equity Shares-quoted	1088	*7800	1088	*7800

\* As taken valued and certified by the Management at lower of cost or market value.  
\*\* Represents Bonus shares.

#### 3. Related party disclosure:

Related Party	Relationship	Nature of transaction	Outstanding as at 31.03.2009 Rs.
MRACL	Holding Company	Advance Recoverable	115303/- (Dr.)
Pranav Sanghvi	Ex-Director	Advance Recoverable	500000/- (Dr.)

#### 4. Basic Earning per Share:

Earning per Share is calculated by dividing the profit attributable to the equity shareholders by number of equity shares as under:

	2008-09 (Rs.)	2007-08 (Rs.)
Net Profit/(Loss) after Tax	(73431)	(112785)
Add(+)/Less(-) Prior Year Adjustments	(251576)	(9)
Net Profit/(Loss) attributable to Equity Share Holders	(325007)	(112794)
Number of equity shares used as denominator for calculating Basic EPS	1800000	1800000
Basic Earning Per Share of Rs. 10/- each	(0.18)	(0.06)

- There is no Deferred Tax Liability on timing difference as at 31.03.09. Deferred Tax Assets subject to consideration of prudence are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

- The requirement of Accounting Standard 17 on Segment Reporting is not applicable to the Company for the year ended 31st March 2009.

- The Company has not made any provision for Fringe Benefit Tax, as there are no taxable expenses as per the provisions of said Act.

- The figures of previous year have been suitably regrouped and/or rearranged wherever necessary.

for and on behalf of the Board

As per our report of even date  
for VASUDEV PAI & CO.,  
Chartered Accountants,

Director Director

T. VASUDEV PAI  
Proprietor

Place : Mumbai

Dated : 05.05.09

### 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.	: 42955
State Code	: 11
Balance Sheet date	: 31.03.2009

#### 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: (Rs. in lakhs)

Total Liabilities	: 180.00
Total Assets	: 180.00

#### Sources of Funds:

Paid-up Capital	: 180.00
Reserves & Surplus	: -

#### Application of funds:

Net Fixed Assets	: 5.88
Investments	: 40.09
Net Current Assets	: 109.16
Profit & Loss Account	: 24.87

#### 4. PERFORMANCE OF COMPANY:

Turnover	: 2.36
Total Expenditure	: 2.04
Profit/(loss) before Tax	: 0.32
Profit/(loss) after Tax	: (3.25)
Earning per Share (Rs.)	: (0.18)
Dividend Rate	: -

- Generic names of three principal products/services of Company : Not applicable

For and on behalf of Board of Directors

DIRECTOR

DIRECTOR

Place: Mumbai

Date : 05.05.09



# E'l Dorado Investments Company Pvt. Ltd.

## NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of **E'l Dorado Investments Co. Pvt. Ltd.** will be held on Friday, the 21st day of August 2009 at 4.00 p.m. at the Registered Office of the Company at 507, Vardhaman Chambers, 5th Floor, 17/G, Cawasji Patel Street, Mumbai 400023 to transact the following business:

## AGENDA

- To receive, consider, approve and adopt the audited Balance Sheet as at 31st March 2009 and Profit and Loss Account for the year ended on that date together with the Report of Directors and the Auditors thereon.
- To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual Meeting and to fix their remuneration.

By Order of the Board of Directors,

DIRECTOR

Place: Mumbai  
Date : 04.07.2009

## 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,  
Your Directors have pleasure in presenting herewith the Twenty Third Annual Report together with the Audited Accounts of the Company for the year ended on 31st March 2009.

## WORKING

Your Directors are to report that during the year, the operation of the Company results in a Net Loss of Rs. 31.07 lakhs (PY: Net Profit of Rs. 0.88 lakhs) after provision for diminution in value of investments and income tax of Rs. 29.72 lakhs and Rs. 0.10 lakhs respectively (PY: Provision for Taxation of Rs. 0.58 lakhs). Your Directors do not recommend any dividend for the year in order to conserve the resources.

## 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:

- That in the preparation of the accounts for the financial year ended 31st March 2009, 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 Loss 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 2009 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 it is enclosed.

## 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:

The Company has no activities relating to conservation of energy or technology absorption. There were no foreign exchange earnings or outgo during the year under consideration.

## PARTICULARS OF EMPLOYEES:

The Company has no employees of the category mentioned in Section 217(2A) of the Companies Act, 1956 as amended by the Companies (Amendment) Act, 1988.

## AUDITORS:

M/s. VASUDEV PAI & CO., Chartered Accountants, Auditors of the Company hold office till the conclusion of forth coming Annual General Meeting and are eligible for reappointment.

On Behalf of Board of Directors

Director Director

Place : Mumbai  
DATE : 04.07.2009

VASUDEV PAI & CO.,  
CHARTERED ACCOUNTANTS  
S-401, Mani Centre, Dickenson Road, Bangalore 560 042

## AUDITOR'S REPORT

To The Members of E'l Dorado Investments Co. Pvt.Ltd.

We have audited the attached Balance Sheet of E'L DORADO INVESTMENTS CO. PVT.LTD. as at 31st March 2009 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

## We report as follows:

- As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report)(Amendment) Order 2004 issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said order.
- Further to our comments in the Annexure referred to above, 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 the books;
  - The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
  - On the basis of the written representations received from the Directors as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - In our opinion, and to the best of our information and according to the explanations given to us, the said accounts, read together with the Significant Accounting Policies and the Notes on Accounts as detailed in Schedule 10, give the information required by the Companies Act, 1956 in the manner so required 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 2009; And
    - in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.

for VASUDEV PAI & CO.,  
Chartered Accountant

T. VASUDEV PAI  
Proprietor

Place : Mumbai  
Date: 04.07.2009

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

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - Fixed assets have been 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 fixed assets.
  - During the year, the Company has not disposed off any part of its fixed assets, which would affect the going concern of the Company.
- The Company does not have any inventory at the end of the year, hence Clauses ii (a) to ii (c) are not applicable.
- The Company has not granted secured or unsecured loans to Companies, Firms or Other Parties covered under Section 301 of the Companies Act 1956, except interest free unsecured advance to its Holding Company and Subsidiary Company and the balance outstanding as receivable as at 31st March 2009 are Rs. 86.52 lakhs (PY: Rs. 86.93 lakhs) and Rs. 23.19 lakhs (PY: Rs. 21.92 lakhs) and the maximum balance outstanding during the year are Rs. 86.93 lakhs and Rs. 23.19 lakhs respectively (PY: Rs. 86.93 lakhs and Rs. 21.92 lakhs).
  - The terms and conditions of such advances are not, in our opinion, prima facie, prejudicial to the interest of the Company
  - There is no stipulation in respect of repayment of the above-referred advances.
- The Company has not taken secured or unsecured loans from Companies, Firms or Other Parties covered under Section 301 of the Companies Act 1956, except interest free unsecured advance from its Subsidiary Company and the balance outstanding as payable as at 31st March 2009 is Nil (PY: Rs. 0.45 lakhs) and the maximum balance outstanding during the year is Rs. 0.45 lakhs (PY: Rs. 0.63 lakhs).

# E'l Dorado Investments Company Pvt. Ltd.



BALANCE SHEET AS AT 31ST MARCH 2009																							
DESCRIPTION	SCH	AS AT 31.03.2009 (Amount in Rupees)	AS AT 31.03.2008 (Amount in Rupees)																				
<p>(b) The terms and conditions of such advances are not, in our opinion, prima facie, prejudicial to the interest of the Company.</p> <p>5. In our opinion, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of fixed assets and for the sale of goods and services. During the course of Audit, we have not observed any major weakness in internal controls.</p> <p>6. The transactions that needed to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered.</p> <p>7. The Company has not accepted any deposits from the public and consequently the provisions of Section 58A &amp; 58AA of the Companies Act, 1956 and rules framed there under and directions issued by the Reserve Bank of India are not applicable.</p> <p>8. 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.</p> <p>9. To the best of our knowledge and according to the information and explanations given to us Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.</p> <p>10. i) The Company has been regular in depositing undisputed statutory dues including Income-Tax, Fringe Benefit Tax dues 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.</p> <p>ii) Keeping in view the present operations of the Company the statutes relating to Sales Tax, Provident Fund, Employees State Insurance, Wealth-Tax, Customs Duty, Excise Duty, Investors Education and Protection Fund and Cess are not applicable to the Company.</p> <p>iii) According to the information and explanations given to us, except for the cases stated below and forums where such disputes are pending, there are no other disputed amounts payable in respect Income Tax, FBT and other statutory dues which were outstanding at the close of the year.</p>																							
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Name of the Statute</th> <th>Asst. Year</th> <th>Forum where dispute is pending</th> <th>Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Income Tax Act, 1961</td> <td>1994-95</td> <td>CIT Appeals II, Mumbai</td> <td>21,51,098</td> </tr> <tr> <td>Wealth Tax Act, 1957</td> <td>1997-98</td> <td>CIT Appeals II, Mumbai</td> <td>1,84,145</td> </tr> <tr> <td>Income Tax Act, 1961</td> <td>2003-04</td> <td>CIT Appeals II, Mumbai</td> <td>54,144</td> </tr> <tr> <td>Income Tax Act, 1961</td> <td>2003-04</td> <td>CIT Appeals II, Mumbai</td> <td>11,833</td> </tr> </tbody> </table>	Name of the Statute	Asst. Year	Forum where dispute is pending	Amount (Rs.)	Income Tax Act, 1961	1994-95	CIT Appeals II, Mumbai	21,51,098	Wealth Tax Act, 1957	1997-98	CIT Appeals II, Mumbai	1,84,145	Income Tax Act, 1961	2003-04	CIT Appeals II, Mumbai	54,144	Income Tax Act, 1961	2003-04	CIT Appeals II, Mumbai	11,833			
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Income Tax Act, 1961	2003-04	CIT Appeals II, Mumbai	54,144																				
Income Tax Act, 1961	2003-04	CIT Appeals II, Mumbai	11,833																				
<p>11. The Company has accumulated losses at 31st March 2009 and has not incurred cash losses during the current financial year and also in the immediately preceding financial year.</p> <p>12. In our opinion and according to the explanations given to us the Company has not borrowed any amounts from banks, financial institutions or from debenture holders during the year under Audit.</p> <p>13. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.</p> <p>14. In our opinion the Company is not a Chit Fund, Nidhi or Mutual Benefit Fund/Society. Therefore Clause 4(xiii) of the Companies (Auditors Report) Order 2003 is not applicable to the Company.</p> <p>15. During the year, the Company has not dealt or traded in shares, securities, debentures and other investments. Therefore the provisions of Clause 4(xiv) of the Companies (Auditors Report) Order 2003 as amended are not applicable to the Company.</p> <p>16. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any banks or financial institutions.</p> <p>17. In our opinion and according to information and explanations given to us, the Company has not availed any term loan during the year accordingly Clause 4(xvi) of the Companies (Auditors Report) Order 2003 is not applicable.</p> <p>18. 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.</p> <p>19. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.</p> <p>20. The Company has not issued any debentures and hence no securities required to be created in respect thereof.</p> <p>21. The Company has not raised any money through a public issue during the year.</p> <p>22. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.</p>																							
<p>for VASUDEV PAI &amp; CO., Chartered Accountant</p> <p>T. VASUDEVAPAI Proprietor</p>																							
<p>Place: Mumbai Date: 04.07.2009</p>																							
<p><b>Profit &amp; Loss Account for the year ended 31.03.2009</b></p>																							
DESCRIPTION	SCH	AS AT 31.03.2009 (Amount in Rupees)	AS AT 31.03.2008 (Amount in Rupees)																				
<p>INCOME</p> <p>a) Compensation Charges received 541,010 634,188</p> <p>b) Rent Receipts (TDS: NIL, PY: Rs. 48240/-) 84,000 388,200</p> <p>c) Miscellaneous Income 3,906 176</p> <p>d) Professional receipts (TDS: Rs. 2060/-, PY: Rs. 9270/-) 917,000 90,000 1,545,916 1,112,564</p> <p>EXPENDITURE</p> <p>a) Administrative expenses 1,509,576 806,513</p> <p>b) Depreciation 151,625 159,605 1,661,201 966,118</p> <p>Profit/(Loss) before tax (115,285) 146,446</p> <p>Provision for Taxation (10,000) (58,000)</p> <p>Provision for FBT (10,105) -</p> <p>Provision in diminution in the value of investments (2,971,640) -</p> <p>Profit after tax (3,107,030) 88,446</p> <p>Balance brought forward from previous year 1,161,771 1,073,325</p> <p>Profit/(Loss) Carried forward to Balance Sheet (1,945,259) 1,161,771</p>																							
<p>Significant Accounting Policies &amp; Notes on Accounts 10</p> <p>For and on behalf of Board of Directors</p> <p style="text-align: right;">As per our report of even date for VASUDEV PAI &amp; CO., Chartered Accountant</p> <p>Director Director T. VASUDEV PAI Proprietor</p> <p>Place: Mumbai Date: 04.07.2009</p>																							

# E'l Dorado Investments Company Pvt. Ltd.



SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT AS ON 31.03.2009				Rs. in Lakhs					
				31.03.09	31.03.08				
				Rs.	Rs.				
1	SHARE CAPITAL								
	Authorised								
	10,00,000 equity shares of Rs.10/- each		10,000,000	10,000,000					
	3,05,000 13.5% Redeemable Cumulative Preference Shares of Rs.100/- each		30,500,000	30,500,000					
			<u>40,500,000</u>	<u>40,500,000</u>					
	Issued, Subscribed and Paid-up:								
	10,00,000 equity shares of Rs.10/- each fully paid-up. (of the above 760000 Eq. Shares are held by the holding Company)		10,000,000	10,000,000					
	2,00,200 13.5% Redeemable Non Cumulative Preference Shares 'B' of Rs.100/- each fully paid-up		20,020,000	20,020,000					
			<u>30,020,000</u>	<u>30,020,000</u>					
2	RESERVE AND SURPLUS:								
	Capital Redemption Reserve Account		9,788,258	9,788,258					
	Profit & Loss Account		-	1,161,771					
			<u>9,788,258</u>	<u>10,950,029</u>					
3	FIXED ASSETS:								
	GROSS BLOCK		DEPRECIATION		NET BLOCK				
	As on 1-Apr-08	As on 31.03.09	As on 1-Apr-08	For the year	As on 31-Mar-09				
					As on 31-Mar-08				
	Office Premises		9,910,530	9,910,530	6,878,032	151,625	7,029,657	2,880,873	3,032,498
	Previous Year		9,910,530	9,910,530	6,718,427	159,605	6,878,032	3,032,498	3,192,103
4	INVESTMENTS: (Non Trade)		31.03.09	31.03.08	Face Value				
	(Long term at cost)		No.	No.	Rs.				
	Shares: (Unquoted)								
	Brooklyn Hills & Properties Pvt. Ltd.		490	490	100	49,000	49,000		
	Premier Consolidated Capital Trust (I) Ltd		76,400	76,400	10	1,554,800	1,554,800		
	Subsidiary Companies:								
	E.L Dorado Shares Services Pvt. Ltd.		89,980	89,980	10	899,800	899,800		
	Dagny Investments Pvt. Ltd		170,000	170,000	10	1,700,000	1,700,000		
	Immovable Property					1,915,248	1,915,248		
	Partnership Firm:								
	Think & Grow Rich Co.					426,205	426,205		
						6,545,053	6,545,053		
	Less: Provision for diminution in value of investments					(2,971,640)	-		
						<u>3,573,413</u>	<u>6,545,053</u>		
5	CASH AND BANK BALANCES:								
	Cash in hand					100,171	362,111		
	Balance with Scheduled Bank in Current Account					2,568,741	34,222		
						<u>2,668,912</u>	<u>396,334</u>		
6	LOANS AND ADVANCES:								
	(Unsecured, Considered good)								
	Advance recoverable in cash or in kind or for value to be received:					2,102,275	1,589,204		
	Advance recoverable form Holding Company					8,651,748	8,692,793		
	Advance recoverable form Subsidiary Company					2,318,588	2,192,243		
	Deposits with Subsidiary Company					13,500,000	13,500,000		
	Deposits with others					4,320,010	4,320,010		
	Advance Tax & TDS					1,419,295	1,406,326		
						<u>32,311,916</u>	<u>31,700,576</u>		
7	CURRENT LIABILITIES:								
	Other Liabilities					3,161,979	223,016		
	Amount payable to Subsidiary Company					-	45,361		
	Creditors for expenses					52,767	88,686		
						<u>3,214,746</u>	<u>357,063</u>		
8	PROVISIONS:								
	Provision for Taxation					357,370	347,370		
9	ADMINISTRATIVE, FINANCIAL & OTHER EXPENSES								
	Bank Charges & Interest					7,488	1,252		
	Filing fees					3,060	2,800		
	Office Expenses					17,659	23,450		
	Compensation charges paid					120,000	120,000		
	Accounting Charges					18,000	18,000		
	Legal & Professional charges paid					37,675	506,254		
	Salaries paid					334,800	0		
	Conveyance charges					120,200	0		
	Travelling charges					8,960	0		
	Electricity charges paid					16,596	6,000		
	Repairs & Maintenance Charges					437,656	4,140		
	Society Charges paid					351,110	87,694		
	Repairs & Maintenance Charges - Let out property					13,782	13,972		
	Property Tax paid - Let out property					3,288	3,288		
	Audit Fees					19,302	19,663		
						<u>1,509,576</u>	<u>806,513</u>		
Schedule - 10									
NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009.									
A) Significant Accounting Policies:									
a) Accounting Concepts: 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.									
b) Recognition of Income and Expenditure: All items of income and expenditure have a material bearing on the financial statements are recognised on accrual basis. However, dividends on investments in shares are accounted as and when received.									
c) Investments: Investments are stated 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.									
d) Fixed Assets: Fixed Assets are capitalized at cost inclusive of legal and / or installation expenses.									
e) Depreciation: Depreciation is provided under the "Written Down Value Method" at rates provided by Schedule XIV to the Companies Act, 1956.									
f) Provision for FBT and Income Tax: Provision for FBT & Income tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act 1961.									
B. NOTES ON ACCOUNTS:									
1. In the opinion of the Board, the Current Assets, Loans and Advances are realizable in the ordinary course of business. The provisions for all known liabilities have been made and are adequate.									
2. The Income Tax Department has served the order of attachment of immovable property on the Company towards the tax demand against which the Company has preferred an appeal with the Appellate Authority.									
3. Related party disclosure:									
	Maha Rashtra Apex Corporation Ltd.		Holding Company						
	Dagny Investments Pvt. Ltd.		Subsidiary Company						
	Eldorado Share Services Pvt. Ltd.		Subsidiary Company						
	Nature of Transaction		Balance as at 31.03.2009		Rs.		Balance as at 31.03.2008		
							Rs.		
	Advance Recoverable Holding Company		8651748/-		8692793/-				
	Advance Recoverable Subsidiary Company		2318588/-		2192243/-				
	Security Deposits to Subsidiary Company		13500000/-		13500000/-				
	Advance Payable Subsidiary Company		Nil		45361/-				
4.	Earning per Share is calculated by dividing the profit attributable to the equity shareholders by the number of equity shares as under:								
			2008-09 (Rs.)		2007-08 (Rs.)				
	Net Profit/(Loss) after Tax		(3107030)		88446				
	Add(+)/Less(-) Prior Year Adjustments		Nil		Nil				
	Net Profit/(Loss) attributable to Equity Share Holders		(3107030)		88446				
	Number of equity shares used as denominator for calculating Basic EPS		1000000		1000000				
	Basic Earning Per Share of Rs.10/- each		(3.11)		0.09				
5.	The requirement of Accounting Standard 17 on Segment Reporting is not applicable to the Company for the year ended 31st March 2009.								

# E'l Dorado Investments Company Pvt. Ltd.

# Riviera Steels Pvt. Ltd.



6. The Profit/Loss from the Partnership Firm has not been accounted in the absence of availability of information from the Firm.
7. There is no Deferred Tax Liability on timing difference as at 31.03.2009.
8. The figures of previous year have been suitably regrouped and/or rearranged wherever necessary.

For and on behalf of the Board As per our report of even date  
For VASUDEVPAL & CO.,  
Chartered Accountants,

Director T. VASUDEVPAL  
Proprietor

Place : Mumbai  
Dated : 04.07.2009

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

### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

<b>1. REGISTRATION DETAILS:</b>		
Registration No.	:	39904
State Code	:	11
Balance Sheet date	:	31.03.2009
<b>2. CAPITAL RAISED DURING THE YEAR:</b>		
Public Issue	:	Nil
Rights Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil
Further Issue	:	Nil
<b>3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS: (Rs. in lakhs)</b>		
Total Liabilities:	:	398.08
Total Assets:	:	398.08
Sources of Funds:		
Paid-up Capital	:	300.20
Reserves & Surplus	:	97.88
Application of funds:		
Net Fixed Assets	:	28.81
Investments	:	35.73
Net Current Assets	:	314.08
Profit & Loss Account	:	19.46
<b>4. PERFORMANCE OF COMPANY:</b>		
Turnover	:	15.46
Total Expenditure	:	16.61
Profit/(loss) before Tax	:	(1.15)
Profit/(loss) after Tax	:	(31.07)
Earning per Share (Rs.)	:	(3.11)
Dividend Rate	:	-
<b>5. Generic names of three principal products/ services of Company</b>		Not applicable

For and on behalf of Board of Directors

DIRECTOR DIRECTOR

Place: Mumbai  
Date: 04.07.2009

## NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on 05th Day of September 2009 at 11.00 AM at registered office of the Company to transact the following business:

### AS ORDINARY BUSINESS:

- To receive, consider and adopt the balance sheet as at 31st March, 2009 and the Profit & Loss account for the year ended on that date and the report of the Directors and Auditors thereon.
- To appoint M/s Anil Shalini & Associates, Chartered Accountants, the retiring Auditor of the Company, as auditor, who shall hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General meeting and to fix their remuneration

For and on behalf of Board of Directors  
Riviera Steels Pvt.Ltd

Place: New Delhi  
Date : 16.08.2009

Director

### NOTE:

Member entitles to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need note be a member proxies in order to be effective must be received by the Company not less than 48 hours before the time of the meeting.

### DIRECTOR'S REPORT

The Directors have to pleasure in presenting the Annual report of the Company together with the Audited accounts for the year ended 31st March 2009.

### FINANCIAL RESULTS

The Company earned a loss of Rs. 13,250/- for the year ended on 31st March 2009. The Directors are hopeful of better performance during the next year.

### PROSPECTUS

The prospectuses for the year 2009-2010 are bleak.

### DIVIDEND

Keeping in view the current year and accumulated losses, your Directors are constrained not to recommend any Dividend for the year under report.

### DIRECTORS

There was no change in the Directorship of the Company during the financial year.

### AUDITORS

M/s Anil Shalini & Associates Chartered Accountants, Auditors of the Company retires at the conclusion of the ensuring General Meeting has offered themselves for re-appointment as statutory Auditors of the Company. The Company has also received a certificate from them to the effect that their appointment, if made, would be in accordance with the provisions of Section 224(1-B) of the Company Act, 1956.

### NOTES ON ACCOUNTS

The observation of Auditors and notes on accounts are self explanatory and do not call for any separate explanation.

### SECRETARIAL COMPLIANCE CERTIFICATE

A certificate from a secretary in whole time practice regarding compliance of all the provisions of the Company Act 1956, by the Company as required under proviso to Section 383(A)(1) of the Company Act, 1956 is attached to this report.

### PUBLIC DEPOSITS

The Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956.

### PARTICULARS OF EMPLOYEES

The Company has not employed any employee referred to in Sub-Section 2A of Section 217 of the Companies Act, 1956 for the year or part of the year.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGOING

The Company's operations in the year under review neither required any conservation of Energy nor involved any Absorption of any Technology. Similarly, there was no earning or outgo in Foreign Exchange.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm the following in respect of the audited accounts for the year ended 31st March, 2009

- That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- That the Directors had selected such accounting policies and applied them consistently and made judgments an 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 & loss account for that period.
- That the Directors had 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.



# Riviera Steels Pvt. Ltd.

(D) That the Directors had prepared the annual accounts on a going concern basis.

BY ORDER OF THE BOARD OF DIRECTORS  
FOR RIVIERA STEELS PRIVATE LIMITED

Place: New Delhi  
Date: 16.08.2009

DIRECTOR DIRECTOR

Anil Shalini & Associates  
Chartered Accountant

## AUDITORS REPORT

To,  
The Members of M/s Riviera Steels Private Limited

- We have audited the attached balance sheet of M/s Riviera Steels Pvt. Ltd. as at 31st March 2009 and also the Profit & Loss accounts for the year ended on that date annexed thereto which we have signed under reference of this report. These financial statements are the responsibility of the company management our responsibility is to express an opinion on the financial statements based on our audit.
- We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amount and disclosure in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and report that:-
- As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in the term of sub section (4-A) of Section 227 of the Companies Act, 1956, We enclosed in the annexure a statement on the matters specified in Paragraph 4 & 5 of the said order.
- Further to the comments referred to in Paragraph (1) above, we report that:
  - We have obtained all the information and explanations which to the best of our knowledge and believe were necessary for the purpose of the audit.
  - In our opinion, proper books of accounts as required by Law have been kept by the Company so far as it appears from our examination of the books.
  - The Balance Sheet and the Profit And Loss A/c dealt with by this report are in agreement with the books of accounts.
  - In our opinion, the Balance Sheet and the Profit and Loss A/c referred to in this report complied with Accounting Standards referred to in sub-section (3C) of Section 211, of the Companies Act, 1956.
  - On the basis of written representation received from the Directors, as on 31st March 2009 and taken on record by the board of Directors, we report that non of the Director is disqualified as on 31st March 2009 from being appointed as Director in terms of clause (g) of sub-section (1) OF Section 274 of the Companies Act, 1956.
  - In our opinion and to the best of our information and according to the explanation given to us, the said accounts together with the notes thereon give the information required by the Companies Act, 1956 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 2009, and
    - In the case of the Profit and Loss Account of the Loss for the period ended on that date.

For Anil Shalini & Associates  
Chartered Accountant

Place: New Delhi  
Date: 16.08.2009

Anil Kumar Shukla  
(Partner)

## ANNEXURE TO THE AUDITOR'S REPORT TO THE MEMBERS OF M/s RIVIERA STEELS PVT. LTD. (Referred to in Paragraph 3 of our report of even Date)

- In the absence of the Fixed Assets there is no need to maintaining records of Fixed Assets.
- Physical verification of inventory was not conducted during the year as there is no inventory during the year.
  - In the absence of the Inventory there is no procedure of physical verification of inventory.
  - In the absence of the Inventory there is no need to maintaining records of inventory.
- The Company has not granted any loan to the parties covered in the register maintained under Section 301 of the Act.
  - In our opinion, rate of interest and other terms and conditions of the loans given/granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the Company.
  - N.A.
  - There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.

- The Company has not taken any loan from company covered in the Register maintained under Section 301 of the companies Act, 1956.
- The rate of interest and other terms and conditions of loan taken by the Company are not prima facie prejudicial to the interest of the Company. And
- The company is regular in repaying the principal amount as stipulated and has been regular in the payment of interest.
- According to the information and explanations given to us, there is no contracts or arrangements during the year that needs to be entered in to the register maintained under Section 301 of the Companies Act, 1956. And
  - According to the information and explanations given to us, there is no contracts or arrangements during the year.
- According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- In our opinion, the Company has an Internal Audit system commensurate with the size and nature of its business.
- In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
- The company is regular in depositing with appropriate authorities undisputed amount due in respect of statutory dues including Provident Fund, Investor Education and Protection fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it.  
According to the information and explanations given to us, no undisputed amount payable in respect of Statutory dues including Provident Fund, Investor Education and Protection fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues were in arrears, as at 31st March, 2009 for a period of more than six month from the date they become payable.
  - According to the information and explanations given to us, there are no dues of Income tax/Sales-tax/Wealth tax/Service-tax/Custom Duty/Excise Duty/Cess which have not been deposited on account of any dispute.
- In our opinion, the accumulated losses of the Company are not fifty percent of its net worth. Yes the company has incurred losses in such financial year and in the immediately preceding financial year.
- According to the information and explanations given to us, there is no due to a financial institution or bank or debenture holders.
- According to the information and explanations given to us, Company have not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- In our opinion, the Company is not a chit fund or a niधि mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore the provisions of clause 4 (xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.
- According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institution.
- According to the information and explanations given to us, the Company has not taken term loans.
- According to the information and explanations given to us, the Company has not raised funds on short term basis.
- According to the information and explanations given to us, the Company has not made any preferential allotment of shares.
- According to the information and explanations given to us, the Company has not issued debentures.
- According to the information and explanations given to us. The Company has not raised money by public issue.
- According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our Audit.

For Anil Shalini & Associates  
Chartered Accountant

Place: New Delhi  
Date: 16.08.2009

Anil Kumar Shukla  
(Partner)





# Riviera Steels Pvt. Ltd.

BALANCE SHEET AS AT 31ST MARCH,2009				SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009			
DESCRIPTION	SCHEDULE	AS ON 31/03/2009 RS.	AS ON 31/03/2008 RS.		AMOUNT AS ON 31/03/2009	AMOUNT AS ON 31/03/2008	
<b>SOURCES OF FUNDS</b> <b>SHAREHOLDERS' FUNDS :</b> (a) Share Capital 1 10,000,000.00 10,000,000.00 (b) Reserve & Surplus 2 2,187,518.00 2,187,518.00  <b>LOAN FUNDS</b> Deferred Tax Liabilities 3 - -  <b>TOTAL</b> 12,187,518.00 12,187,518.00  <b>APPLICATION OF FUNDS</b> <b>FIXED ASSETS :</b> Gross Block - - Less : Depreciation - - <b>NET BLOCK</b> - -  <b>CURRENT ASSETS, LOANS &amp; ADVANCES :</b> (a) Inventories - - (b) Sundry Debtors 9,733,391.00 9,749,641.00 (c) Cash & Bank Balance 9,967.00 9,967.00 (d) Loans & Advances - - <b>TOTAL</b> 9,743,358.00 9,759,608.00  <b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b> (a) Current Liabilities 14,000.00 17,000.00 (b) Provisions 14,000.00 17,000.00  <b>NET CURRENT ASSETS</b> 9,729,358.00 9,742,608.00  <b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted) <b>PROFIT &amp; LOSS ACCOUNT</b> <b>TOTAL RS.</b> 2,458,160.00 2,444,910.00 12,187,518.00 12,187,518.00				<b>SCHEDULE - 1</b> <b>SHARE CAPITAL</b> AUTHORISED CAPITAL 1,00,000 Equity Shares of Rs.100/- each 10,000,000.00 10,000,000.00 ISSUED, SUBSCRIBED AND PAID UP CAPITAL 1,00,000 Equity Shares of Rs.100/- each 10,000,000.00 10,000,000.00 fully paid up. ( Previous Year Same) Share Application Money 10,000,000.00 10,000,000.00			
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b> 8  The Schedules referred to above form an Integral part of Accounts As per our audit report of even date attached  <b>FOR AND ON BEHALF OF THE BOARD OF DIRECTORS</b> For ANIL SHALINI & ASSOCIATES Chartered Accountants For Riviera Steels Private Limited  <b>DIRECTOR</b> DIRECTOR Anil Kumar Shukla Partner  PLACE : NEW DELHI. DATED : 16.08.2009				<b>SCHEDULE - 2</b> <b>RESERVE &amp; SURPLUS</b> (a) General Reserve 2,187,518.00 2,187,518.00 (b) Revaluation Reserve 0.00 0.00 <b>TOTAL</b> 2,187,518.00 2,187,518.00  <b>SCHEDULE - 3</b> <b>DEFERRED TAX LIABILITIES</b> Tax impact of difference between carrying amount of Fixed Assets in the Financial Statement & the I.T.Act - -  <b>MOVEMENT FOR THE YEAR ON ACCOUNT OF :</b> Tax impact of difference between carrying amount of Fixed Assets in the Financial Statement & the I.T.Act - - Tax Rate Variance - -			
<b>PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2009</b> <b>DESCRIPTION</b> <b>SCHEDULE</b> <b>AS ON</b> <b>AS ON</b> <b>31/03/2009 RS.</b> <b>31/03/2008 RS.</b>  <b>INCOME</b> Profit on Sale of Fixed Assets - -  <b>EXPENDITURE</b> Cost of Goods Sold - - Employment Cost - - Administrative & Other Expenses 13,250.00 20,026.00 Financial Cost - - Miscellaneous Expenses - - Depreciation - - <b>TOTAL</b> 13,250.00 20,026.00 (13,250.00) (20,026.00) Profit for the year - - Provision for Taxation - - Carried over to Balance Sheet (13,250.00) (20,026.00)				<b>SCHEDULE - 4</b> <b>CASH &amp; BANK BALANCES :</b> a. Cash in hand 9,967.00 9,967.00 b. Balance with Scheduled Bank : In Current Account with - Canara Bank, East Patel Nagar, New Delhi C.A. - 4163. 0.00 0.00 <b>TOTAL</b> 9,967.00 9,967.00  <b>SCHEDULE - 5</b> <b>CURRENT LIABILITIES</b> Sundry Creditors : i. For expenses 14,000.00 17,000.00 ii. Others from MRACL - - iii. From Mr. Anuranjan Sharma - - <b>TOTAL</b> 14,000.00 17,000.00  <b>SCHEDULE - 6</b> <b>PROFIT &amp; LOSS ACCOUNT</b> Balance as per Last year 2,444,910.00 2,424,884.00 LESS: Deferred Tax Liabilities - - LESS: Profit/(Loss) for the year (13,250.00) (20,026.00) <b>TOTAL</b> 2,458,160.00 2,444,910.00  <b>SCHEDULE - 7</b> <b>ADMINISTRATIVE &amp; OTHER EXPENSES</b> Filing Fee 7,750.00 7,500.00 Bank Charges 0.00 25.00 Legal & Professional Charges 0.00 5,000.00 Printing & Stationery 0.00 0.00 Auditor's Remuneration 5,500.00 7,500.00 <b>TOTAL</b> 13,250.00 20,026.00			
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b> 8  The Schedules referred to above form an Integral part of Accounts As per our audit report of even date attached  <b>FOR AND ON BEHALF OF THE BOARD OF DIRECTORS</b> For ANIL SHALINI & ASSOCIATES Chartered Accountants For Riviera Steels Private Limited  <b>DIRECTOR</b> DIRECTOR Anil Kumar Shukla Partner  PLACE : NEW DELHI. DATED : 16.08.2009				<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 31.03.2009</b>  Schedule-8 Accounting Policies  1. Convention The Financial Statements are prepared under the historical cost Convention in accordance with the applicable mandatory accounting standards and relevant presentational requirements of the Companies Act.  2. Fixed Assets The company does not have fixed assets.  3. Sundry Debtors and Advances Recoveries These are stated after making adequate provision for bad and doubtful balances.  4. Provision for Taxation The company has loss in current year hence no provisioning is required in this financial year.  5. Method of Accounting A) Income In respect of the income, the company has follow the practice of accounting of such income is on accrual basis. Revenue in respect of insurance/other claim, interest etc. is recognized only when it is reasonably certain that ultimate collection would be made.			



## Riviera Steels Pvt. Ltd.

B) Expenses  
All the Expenses have been provided on accrual basis.

6. Amortization of Miscellaneous expenditure  
There is no Preliminary Expenses remain to be amortized.

7. Other accounting policies  
These are consistent with the generally accepted accounting policies.

### Notes on Accounts:

1. In the opinion of the Board of Directors of the company, Current Assets, Loans & Advances, if Realized in the ordinary course of the business shall amount to the value stated in the Balance sheet and provision for the known Liabilities have been made.

2. The Company does not Fixed Assets so as no depreciation is available.

3. There is no employee referred to in sub-sec 2-A of the Section 217 of the Companies Act 1956 read with Companies (Particulars of Employee) Rules 1975.

4. Break up of the Auditor Remuneration is as follow:

S.I.No	Particulars	2008-2009	2007-2008
A)	Audit Fees	5,500	7,500
B)	For Company Law Matters	Nil	Nil
C)	For Others Matters	Nil	Nil
Total		5,500	7,500

5. Traveling Expenses amounting to Rs Nil (Previous Year Rs. Nil) has been incurred by the Directors of the company.

6. Previous Year figures have been regrouped/ recast wherever necessary to make them Comparable with those of current year.

7. Contingent Liabilities not provided for Rs Nil ( Previous year Rs Nil)

8. The Company had no earning or Expenditure in Foreign Exchange during the year.

9. Information with regard to Other Matter specified in clause 3,4(a) and 4(c) of Part II of Schedule VI of the Companies Act, 1956 are either Nil or Not applicable to the company.

DIRECTOR

DIRECTOR

Place: New Delhi  
Date: 16.08.2009



# Maha Rashtra Apex Corporation Limited

Regd. Office, Syndicate House, Manipal - 576 104

## ATENDANCE SLIP

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

NAME AND ADDRESS OF THE SHAREHOLDER(S)/PROXY:

Reg. Folio No :

No. of shares held :

I hereby record my presence at the 65th Annual General Meeting of the company on Wednesday, the September 30, 2009 at 4.00 p.m.at Manipal Junior College Auditorium, Manipal 576104

Signature o the Shareholder or Proxy  
(Strike out whichever is not applicable)



# Maha Rashtra Apex Corporation Limited

Regd. Office, Syndicate House, Manipal - 576 104

## PROXY FORM

I/We .....of  
.....in the  
district of.....members  
of the above named Company, hereby appoint.....  
.....of.....  
in the district of .....of.....or failing him  
.....of.....in  
the district of.....of.....as my/our

Proxy to attend and vote for me /us on my/our behalf at the 65 Annual General Meeting of the company on Wednesday, the September 30, 2009 at 4.00 p.m and at any adjournment thereof

Signed this .....day of.....2008

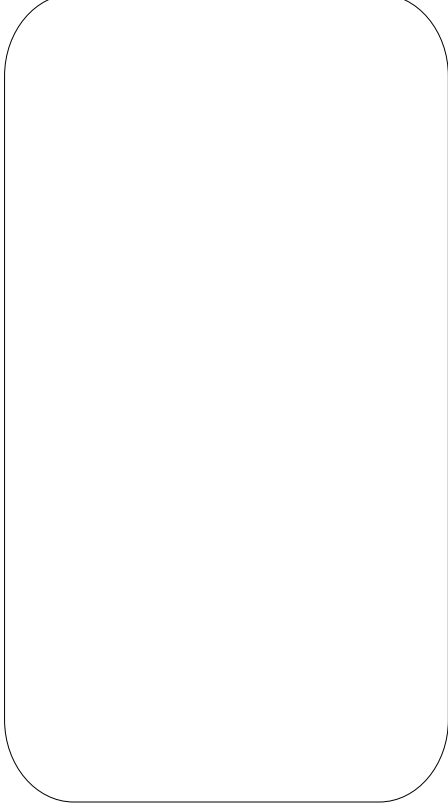
Reg. Folio No.

No. of Shares held

Affix 30  
paise  
Revenue  
Stamp

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the time fixed holding the Meeting.

Book Post



*If not delivered, please return to :*

 **Maha Rashtra Apex  
Corporation Limited**

Regd. Office, Syndicate House, Manipal - 576 104