



73rd

ANNUAL REPORT
2016 - 2017



Maha Rashtra Apex
Corporation Limited

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

Respectful Salutations...



Late Sri T Ramesh U Pai

BOARD OF DIRECTORS

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



NOTICE

NOTICE is hereby given that the 73rd Annual General Meeting of the Members of the MAHA RASHTRA APEX CORPORATION LIMITED will be held as follows:

Date: Friday, September 29, 2017 Time: 12.00 Noon.

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

The Agenda for the meeting is given below:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statement for The year ended 31st March, 2017 together with the Reports of the Board Of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Subbarama Gowda (DIN: 0046329), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass the following resolution as an ordinary resolution.

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, and other applicable rules, if any, M/s. Maiya & Maiya, Chartered Accountants (Firm Registration No. (001944S), be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s. Rao & Swami (Firm Registration No. 003105S), Chartered Accountants, whose term ends at the conclusion of the forthcoming Annual General Meeting of the Company, at such remuneration plus service tax, out-of-pocket expenses, travelling and other expenses as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors based on the recommendation of the Audit Committee.

RESOLVED FURTHER THAT M/s. Maiya & Maiya, Chartered Accountants, will hold office as the Statutory Auditors of the Company, for a period of 5 (five) years from the conclusion of this Annual General Meeting until the conclusion of the 78th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as a Special resolution.

“**RESOLVED THAT** pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of Clause No. XIX (73) of the Articles of Association, approval of the Company be and is hereby accorded to the re-appointment of Sri Subbarama Gowda (DIN: 00046329) as the Whole-time Director of the Company for a period of 3 years from 10th December, 2017 to 9th December, 2020 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Sri Subbarama Gowda (DIN: 00046329), subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

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



NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total Share Capital of the Company. A member holding more than 10% (ten percent) of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies in order to be effective should be duly completed stamped and must be deposited at the Company's Registered Office not less than 48 hours before the meeting time.
2. The Register of Members and share transfer books of the Company shall remain closed from Saturday, 23 . 9.2017 to Friday, 29 . 9.2017 (both days inclusive) for the purpose of Annual General Meeting of the Company.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the item No. 4 is annexed thereto.
4. Members/Proxies should bring the enclosed Attendance Slip duly filled in, for attending the meeting.
5. Corporate members intending to send their authorised representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Individual Shareholders can avail of the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of the share holder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual shareholders such as Bodies Corporate, Kartas of Hindu Undivided Families, Partnership Firms, Societies, Trusts and holders of Power of Attorney. For further details, please contact the Company's corporate office.
8. Members are requested to:
 - (a) intimate to the Company's Registrar and Share Transfer Agents, changes, if any, in their respective addresses along with Pin Code Number at an early date.
 - (b) Quote Folio Numbers in all their correspondence.
 - (c) Consolidate holdings into one folio in case of multiplicity of Folios with names in identical orders.
9. Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the meeting so that the information may be made readily available at the Meeting.

10. VOTING THROUGH ELECTRONIC MEANS:

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

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

- (I) The voting period begins on Tuesday, September 26, 2017 at 9.00 a.m. (IST) and ends on Thursday, September 28, 2017 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Friday, September 22, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant 'Maha Rashtra Apex Corporation Limited' on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently asked questions (“FAQs”) and, e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdsl.com
11. Once the vote on a resolution is cast by the shareholder through remote e-voting, the shareholder shall not be allowed to change it subsequently.
 12. The voting right of the shareholders shall be in proportion to their shares in the paid up equity capital of the Company as on the cut-off date.
 13. A copy of this notice is placed on the website of the Company and the website of CDSL.
 14. Mr. Ashish O. Lalpuria, Practicing Company Secretary (Certificate of Practice Number 11155) has been appointed as scrutinizer for conducting the e-voting in fair and transparent manner.
 15. The Scrutinizer shall after the conclusion of the voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 3 days of the conclusion of AGM, a consolidated Scrutinizer Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
 16. The result declared along with the Scrutinizer Report shall be placed on the Company's website - www.maharashtraapex.com and the website of CDSL within two days of passing the resolutions at the AGM of the Company and communicated to Stock Exchanges where the shares of the Company are listed.

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

By Order of the Board,

Manipal
August 14, 2017

(S R Gowda)
Whole Time Director
DIN-00046329



ANNEXURE TO NOTICE

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

Item No.3

M/s. Rao & Swami, Chartered Accountants, Firm Registration No. 003105S, were appointed as Statutory Auditors at the 70th Annual General Meeting (AGM) of the Company held on 30th September, 2014 for a term of 3 years to hold office till the conclusion of the 73rd AGM. In terms of the provisions of the Companies Act, 2013, read with Rules made thereunder, no listed Company shall appoint an audit firm as Auditor for more than two consecutive terms of five years each and an audit firm which has completed its term shall not be eligible for reappointment as auditor in the same company. In view of the above, the term of M/s. Rao & Swami Auditors shall come to an end at the conclusion of the 73rd AGM. The Board of Directors, based on the recommendation of the Audit Committee, have proposed the appointment of M/s. Maiya & Maiya, Chartered Accountants, Firm Registration No. 001944S as the Statutory Auditors of the Company in place of M/s. Rao & Swami, to hold office from the conclusion of the ensuing AGM till the conclusion of the 78th AGM. M/s. Maiya & Maiya have consented to act as Auditors if appointed and have also confirmed that their appointment will be in accordance with Section 139 read with Section 141 of the Act. The Board recommend the Ordinary Resolution at Item No. 3 for approval by the members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Item No.4

Sri Subbarame Gowda is an Executive Director of the Company who joined the Board of Directors of the Company (the 'Board') in October, 2005. Further, he was appointed as a Whole Time Director with effect from 10th December, 2011 to 9th December, 2014 and thereafter he was reappointed as a Whole Time Director from 10th December 2014, for a further period of 3 years and his current term expires on 9th December, 2017.

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

In view of the vast knowledge and expertise of Sri Subbarame Gowda, the Board is of the opinion that it would be in the best interests of the Company to continue availing his valuable services. Accordingly, the Board of Directors of the Company at its meeting held on 14th August, 2017 has, re-appointed Sri Subbarame Gowda as Whole Time Director, for a further period of 3 years from the expiry of his present term subject to the approval of members.

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

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

Statement showing the additional information as required to be given along with a Notice calling General Meeting as required under Section II, Part II of Schedule V to the Companies Act, 2013.

I. GENERAL INFORMATION

1. Nature of industry: Financial Activities.
2. Date of commencement of commercial production: 5th May, 1943



3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
4. Financial performance based on given indicators: The financial performance of the Company in last three years is as under:

Financial Parameters	Year Ended as on		
	March 31, 2015	March 31, 2016	March 31, 2017
Total Income	168.88	118.39	135.35
Profit before exceptional items and tax	(244.76)	(244.72)	(160.53)
Net Profit/ (Net Loss)	(34.89)	(23.39)	(38.97)
Dividend %	Nil	Nil	Nil

5. Foreign investment or collaboration: Rs. Nil as on March 31, 2017.

II INFORMATION ABOUT THE APPOINTEE

1. Background details: Name: Sri Subbarame Gowda
Father's Name: Sri Dase Gowda
Nationality: Indian
Date of Birth: 11th December, 1944
Qualifications: BE
Experience: 38 years experience in Financial Sector as well as in administration.
2. Past remuneration: Rs.25000/-p m
3. Recognition and awards: - NA
4. Job profile and his suitability: This is the 3rd term as a Executive Director to Mr Subbarame Gowda. He has successfully guided the Company in the last 6 years. As a Executive Director he will look after general administration, set goals and plans for reaching the goals and take care of the employees, protect shareholders interest and build assets of the Company.
5. Remuneration proposed: The terms of the remuneration proposed to be paid to Sri Gowda have been specified in the Explanatory Statement as above.
6. Comparative remuneration profile with respect to industry size of the company: Comparatively low.
7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel: None

III OTHER INFORMATION

1. Reasons for loss: During the year, Company had not carried out any business activities. At present Company's activities are restricted to recovery of Loans and advances. 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 under Section 391, of the Companies Act, 1956 .
2. Steps taken or proposed to be taken for improvement: Company is trying to increase the income from properties. New business and enforcements can be planned only after paying deposit holders in full.
3. Expected increase in productivity and profits in measurable terms: NA

This explanatory statement may also be read and treated as written memorandum setting out the terms of re-appointment of Sri Subbarame Gowda in compliance with the requirements of Section 190 of the Companies Act, 2013.

Sri Subbarame Gowda is more than 70 years of age . Hence, pursuant to Section 196(3) of the Companies Act, 2013, his appointment shall require approval of members by way of Special Resolution.

Apart from Sri Subbarame Gowda, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding. The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Disclosure relating to Directors seeking appointment/re-appointment pursuant to Regulation 36 (3) of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard 2 on General Meetings:

Particulars	Mr.Subbarame Gowda
Age	73Years
Qualification	B.E
Experience	38 years experience in Financial Sector, real estate and administration
Terms & Conditions of appointment/re-appointment	Terms and Conditions as set out in the Appointment Letter
Remuneration to be paid	Rs.25000/- p m
Remuneration last drawn	Rs.25000/- p m
Date of first appointment on Board	27.10.2005
Shareholding in the Company	800 Shares of Rs.10/-each
Relationship with other Directors/ Manager/Key Managerial Personnel	Nil
Number of Board Meetings attended	4
Other Directorship	As listed in the Corporate Governance Report
Other Membership / Chairmanship of Committees	Member Audit Committee and Stakeholders Relationship Committee

Route Map to the venue of the 73rd Annual General Meeting



DIRECTORS' REPORT

To the MEMBERS
Maha Rashtra Apex Corporation Limited

Your Directors have pleasure in presenting their Annual Report on the business and operation of the company and the accounts for the financial year ended 31st March, 2017.

1. FINANCIAL SUMMARY OR HIGHLIGHTS :

The financial summary for the year ended 31st March, 2017 along with the corresponding figures for the previous year are as under:-

Particulars	2016- 2017	2015-2016
Revenue from operations	4608885.95	4004385.76
Other income	8925958.16	7834626.34
Sub total	13534844.11	11839012.10
Total expenses including depreciation and finance cost	29587823.41	36311030.26
Profit before tax & extraordinary & exceptional items	(16052979.30)	(24472018.16)
Exceptional items	(21927387.90)	(52314487.79)
Extraordinary items	34083709.00	74447897.24
Tax	-	-
Net profit	(3896658.20)	(2338608.71)

2. REVIEW OF OPERATION AND STATE OF COMPANY'S AFFAIRS:

During the year under review, the Company has earned total revenue of ₹135.35 lacs as compared to ₹118.39 lacs in the previous and has incurred loss of ₹38.97 lacs as compared to ₹23.39 lacs in the previous year. Pursuant to the cancellation of NBFC License by the Reserve Bank of India during the year 2002, the Company is not carrying out any activity as a Non Banking Financial Company and is under Scheme of Arrangement as approved by Hon'ble High Court of Karnataka under Section 391 of Companies Act 1956. Presently the company is engaged only in recovery of its assets and repayment of liabilities under the said arrangement.

3. RESERVE & SURPLUS:

No amount is proposed to be transferred to any reserves as on 31st March, 2017.

4. DIVIDEND

In view of accumulated losses, your Directors do not recommend dividend for the equity shares and 14% Redeemable Cumulative Preference Shares for the financial year 2016-17.

5. SCHEME OF ARRANGEMENT AND PUBLIC DEPOSIT:

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, the Company has completed payment of three instalments. The payment of 4th instalment is in progress. The outstanding balance of Deposit/Bond is was ₹3011.56 lacs as on 31st March, 2016 and ₹2720.24 lacs as on 31st March, 2017

During the year, Company has not taken any public deposit falling under the purview of Section 73 of the Companies Act, 2013.

6.CHANGE IN THE NATURE OF BUSINESS:

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

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Companies Act, 2013 no Directors were appointed or resigned during the



financial year.

DIN/PAN	Board of Directors and Key Managerial Personnel.	Designation
00046329	Subbarame Gowda	Whole time Director
01039656	Sevagoor Srinivas Kamath	Director
01451944	Kudi Bhoja Shetty	Director
07133349	Jyothi Vishweshwaraiah Bhadravathi	Director
AACPP7417J	Jamsheed Minocher Panday	Company Secretary

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. S R Gowda, Whole Time Director of the Company retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

None of the Directors of the Company is disqualified under Section 164 of the Companies Act, 2013.

The Company is required to appoint Key Managerial Personnel under Section 203 of Companies Act 2013. Details are given below:

There is no business activity and also due to financial constraints the company has not appointed CFO.

8. Remuneration to Directors and other employees:

Sl. No	Name of the Key managerial personnel	DIN/PAN	Designation
1	SUBBARAME GOWDA	00046329	Whole time Director
2	JAMSHEED MINOCHER PANDAY	AACPP7417J	Company Secretary

The Board is comprised of 1 whole-time director, 1 non-executive director and 2 independent directors. Only Whole-time Director is paid remuneration and independent directors are not paid any remuneration.

- A) Ratio of remuneration of director to the median remuneration of the employees:
 B) No percentage increase in remuneration has been made to Whole-time Director of your company for the year ended March 2017.

Name of the director	Ratio to median remuneration of the employees
Sri Subbarame Gowda- Whole Time Director	47.11

- C) Percentage increase in median remuneration of the employees for the year ended March 2017: Nil
 D) Number of permanent employees on the rolls: 33
 E) Average percentile increase already made in the salaries of employees and comparison with managerial remuneration and justification thereof and exceptional circumstances for increase in the managerial remuneration: Due to on-going arrangement under Section 391 of Companies Act 1956 under the order of Honourable High Court of Karnataka, the Whole-time Director is drawing minimum salary compared to industry standards.
 F) The remuneration is as per remuneration policy of the company.

The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members



excluding the aforesaid annexure. In terms of section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Under Section 197(14) of Companies Act 2013, it is hereby informed that none of the directors are in receipt of commission from the company / from holding / subsidiary company.

9. SUBSIDIARY, JOINTVENTURE AND ASSOCIATE COMPANY:

The Company has Subsidiary and Associate Companies. Details are given below:
There is no Joint venture for the Company.

No company became or ceased to be subsidiary/associate or joint venture during the financial year 2016-17

SI.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	Maharashtra Apex Asset Management Company Limited	U85110KA1995PLC016881	Subsidiary
2	Eldorado Investments Company Private Limited	U65910MH1986PTC039904	Subsidiary
3	Crimson Estate & Properties Private Limited	U7010MH1987PTC042955	Subsidiary
4	Kurlon Limited	U17214KA1962PLC001443	Associate
5	Rajmahal Hotels Limited	U55101KA1976PLC003035	Associate
6	Mangala Investments Limited	U65993KA1979PLC003652	Associate
7	Manipal Home Finance Limited	U85110KA1994PLC016671	Associate
8	Manipal Springs Limited	U29309KA1984PLC005964	Associate

Pursuant to Section 129(3) of the Companies Act, 2013 the salient features of financial Statement of Subsidiaries and Associate Companies in Form AOC-1 as 'Annexure I' to this report.

10. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

11. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

12. MEETINGS:

During the financial year ended 31.03.2017 four meetings of the Board of Directors of the Company were held. The meetings were held on 30.05.2016, 13.08.2016, 11.11.2016 and 13.02.2017. The attendance of the directors is provided in the corporate governance report enclosed to this report

13. INDEPENDENT DIRECTORS

The Company has appointed independent directors in terms of Section 149(4) read with Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014. The Company has received necessary declarations from the Independent Directors confirming their Independence. There has been no re-appointment of independent director during the year.

14. CORPORATE GOVERNANCE:

As required under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

15. RISK MANAGEMENT POLICY :

Pursuant to Scheme of Arrangement, sanctioned by the High Court of Karnataka, to repay the deposit liabilities and also in compliance of RBI restrictions, the Company focused only on recovery of loans and repayment of deposits. At present the risk is associated with this activity and all efforts are on to manage the delay and shortfall in instalment payments and assessment of its impact on the Company.

16. POLICIES ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The company is covered under Section 178(1) of Companies Act 2013 read with Rule 6 of Companies (Meeting of Board and its Powers) Rules 2014. Accordingly Section 134(3)(e) of the Act requires the Company to disclose policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and matters relating to remuneration for directors, key managerial personnel and employees. The highlights of the said policy is provided hereunder:

- The policy is recommended by Remuneration Committee and approved by the Board
- The policy provides for criteria for appointment / continuation of appointment of directors on the basis of requirements of Companies Act 2013 and Rules made there under
- The policy also specifies minimum - qualification, experience and other attributes
- The policy lays down criteria for evaluation of performance of board, committees and individual directors (as elaborated under separate heading in this report)
- Other matters like criteria for removal of directors, components of remuneration...etc are specified by the policy.

17. CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE AND AUDIT COMMITTEE AND STAKEHOLDER RELATIONSHIP COMMITTEE :

The Company is required to constitute a Nomination and Remuneration Committee, Audit committee and Stakeholders Relationship Committee under section 178(1), 177 & 178(5) respectively of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. Consequently disclosure pertaining to composition thereof and their recommendations are covered in Corporate Governance Report. During 2016-17, all recommendations of Audit Committee are accepted by the board. The company has adopted vigil mechanism and the same is available on the website of the company.

18. FORMAL ANNUAL EVALUATION

The Company is covered under Section 134(3)(p) read with Rule 8(4) of Companies (Accounts) Rules 2014. Accordingly formal annual evaluation of performance of Board, committees and individual directors have been conducted by the Nomination & Remuneration Committee in the following manner:

- The evaluation is done internally
- The evaluation is done on the basis of inputs received from the directors regarding the performance of board & committees as a whole and also of director in individual capacity. Specific inputs have been collected from Independent Directors regarding performance of Whole-time Director.
- Broad parameter for board performance have been the efficiency to guide the company through the process of recovering the assets and paying-off liabilities under the scheme of arrangement approved by Honourable High Court of Karnataka under Section 391 of Companies Act 1956. Supplementary parameter is exploring opportunities for bringing new business opportunities for the company. Specific parameter for Whole-time Director is achievement of targets on the said recoveries and payments. Specific parameter for independent directors is attendance at board /



committee meetings and providing independent judgements on the board decisions. Specific parameter for committees is execution of their terms of reference.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year, the Company has not given any loans, provided any securities or guarantee to any persons within the meaning of Section 186 of the Companies Act, 2013.

The investments as on 31.03.2017 are provided under schedule 5(b) to the balance sheet.

20. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135, Corporate Social Responsibility is not applicable to the company.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

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

A. Conservation of Energy-

B. Technology absorption:-

- i. Efforts made towards technology absorption: Nil
- ii. Benefits derived like product improvement, cost reduction, product development or import

I	Steps taken or impact on conservation of energy	Tungsten & fluorescent bulbs are replaced by LED bulbs.
II	Steps taken by the Company for utilizing alternate sources of energy:	Roof top Solar heaters installed to heat water for lodge use.
III	Capital investment on energy conservation equipments	No Capital expenditure. Bulb cost written off as expenditure

substitution: Nil

- iii. Imported technology (imported during the last three years reckoned from the beginning of the financial year):
 - a) Details of technology imported - No technology was imported during the year.
 - b) Year of import - Not Applicable
 - c) Whether the technology been fully absorbed- Not Applicable
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - Not Applicable
- iv. Expenditure incurred on Research and Development - Your Company is predominantly a service provider and is not required to set up a formal R&D unit.

C .During the year 2016-17, there has been no foreign exchange earnings or outgo.

22. SHARE CAPITAL:

- A) Issue of equity shares with differential rights: None
- B) Issue of sweat equity shares: None
- C) Issue of employee stock options: None
- D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees: None
- E) Redemption of securities: None

23. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (a) In the preparation of the annual accounts ,the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that



period;

- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

26. REPORTING OF FRAUD:

The auditor of the company has not reported any fraud under Section 143(12) read with Rule 13 of Companies (Audit & Auditors) Rules 2014

27. EXTRACT OF ANNUAL RETURN: {Section 134(3)(a)}

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in Form MGT- 9 as a part of this Annual Report is annexed as 'Annexure III'.

28. DISCLOSURE PURSUANT TO SECTION 22 OF SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 requires every employer to comply with its provisions and make a disclosure of the number of cases occurring under the Act pursuant to Section 22. Your Board confirms that no complaints/cases have been filed / are pending with the Company during the year.

29. AUDITORS AND THEIR REPORT:

M/s. Rao & Swami, Chartered Accountants, Firm Registration No. 003105S, were appointed as the Statutory Auditors at the 70th Annual General Meeting (AGM) of the Company held on 30th September, 2014 for a term of 3 years to hold office till the conclusion of the 73rd AGM. In terms of the provisions of the Companies Act, 2013, read with Rules made thereunder, no listed Company shall appoint an audit firm as Auditor for more than two consecutive terms of five years each and an audit firm which has completed its term shall not be eligible for re-appointment as auditor in the same company. In view of the above, the term of M/s. Rao & Swami, as Auditors will come to an end at the conclusion of the 73rd AGM. The Board of Directors, based on the recommendation of the Audit Committee, have proposed the appointment of M/s. Maiya & Maiya, Chartered Accountants, Firm Registration No.001944S as the Statutory Auditors of the Company in place of M/s. Rao & Swami, to hold office from the conclusion of the ensuing AGM till the conclusion of the 78th AGM subject to ratification of their appointment by the Members at every Annual General Meeting. M/s. Maiya & Maiya have consented to act as Auditors if appointed and have also confirmed that their appointment will be in accordance with Section 139 read with Section 141 of the Act

The report of the statutory auditor for the financial year 2016-17 is circulated to the members along with financials for the said period

REPLY TO AUDITOR S OBSERVATION

Pursuant to requirements of Section 134 (3) (f) of the Companies Act, 2013, explanation is necessary, as there is qualification, reservation or adverse remark made by the Statutory Auditors of the Company in their



report.

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

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

With regard to Auditors observations in point No. i, ii, iii, iv and v explanations given in the relevant notes No.3.2, 3.5, 3.6, 3.7, 3.11 and 3.13 of Schedules of Accounts are self explanatory.

The provisions of Section 204 regarding Secretarial Audit are applicable to the company and accordingly Secretarial Audit Report is enclosed to this report as 'Annexure IV'. Qualifications by Secretarial Auditor is answered in the annexure to this report.

30. ACKNOWLEDGEMENTS:

The directors place on record their sincere appreciation for the assistance and co-operation extended by Bank, its employees, its investors and all other associates and look forward to continue fruitful association with all business partners of the company.

For and on behalf of the Board

For Maha Rashtra Apex Corporation Limited

Place: Manipal
Date: 14th August 2017

K B Shetty
Director
DIN: 01451944

Subbarame Gowda
Whole Time Director
DIN: 00046329

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. in lacs)

Particulars	Maharashtra Apex Asset Management Company Limited	Eldorado Investments Company Private Limited	Crimson Estate & Properties Private Limited
Relation	Subsidiary	Subsidiary	Subsidiary
The date since when subsidiary was acquired	2002	2002	2002
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR
Share capital	502.58	100.20	180.00
Reserves and surplus	(282.50)	204.16	(59.37)
Total assets	230.28	337.32	121.23
Total Liabilities	230.28	337.32	121.23
Investments	35.42	138.01	37.13
Turnover	8.24	169.82	0.16
Profit/loss before taxation	13.59	125.68	4.66
Excess/(short) Provision for taxation	5.85	(15.67)	1.43
Profit/loss after taxation	19.44	110.01	6.09
Proposed Dividend	0.00	0.00	0.00
Extent of shareholding (in percentage)	99.99	81.00	99.99

Notes:

- Names of subsidiaries which are yet to commence operations: NONE
- Names of subsidiaries which have been liquidated or sold during the year: NONE



Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Name of Associates or Joint Ventures	Kurlon Limited	Rajmahal Hotels Limited	Mangala Investments Limited	Manipal Home Finance Limited	Manipal Springs Limited
Relationship	Associate	Associate	Associate	Associate	Associate
Latest audited Balance Sheet Date	31-03-2016	31-03-2016	31-03-2016	31-03-2016	31-03-2016
Date on which the Associate or Joint Venture was associated or acquired.	2004	1996	2002	2013	
No. Shares of Associate or Joint Ventures held by the company on the year end	5693020	36368	58436	1395000	33990
Amount of Investment in Associates or Joint Venture	1726.06	0.76	1.50	139.77	34.16
Extent of Holding (in percentage)	38.00	29.44	28.14	46.50	22.97
Description of how there is significant influence	Note -A	Note -A	Note -A	Note -A	Note -A
Reason why the associate/ joint venture is not consolidated	Note -B	Note -B	Note -B	Note -B	Note -B
Net worth attributable to shareholding as per latest audited Balance Sheet	-	-	-	-	-
Profit or Loss for the year:					
i. Considered in Consolidation	-	-	-	-	-
ii. Not Considered in Consolidation					

Notes:

- A. There is significant influence due to percentage (%) of Share Capital.
 B. Company unable to get the Audited financial statement/ financial information of five associate companies, for the year ended 31st March, 2017. Hence, which has not been considered while preparing the consolidated financial statement
- Names of associates or joint ventures which are yet to commence operations: NONE
 - Names of associates or joint ventures which have been liquidated or sold during the year: NONE

For and on behalf of the Board

For Maha Rashtra Apex Corporation Limited

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

S S Kamath
Director
DIN: 01039656

Jyothi V B
Director
DIN: 07133349

J M Panday
Company Secretary

Place: Manipal
Date : 14th August 2017



Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NONE

2. Details of material contracts or arrangement or transactions at arm's length basis: NONE

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

For and on behalf of the Board

Maha Rashtra Apex Corporation Limited

Place: Manipal
Date: 14th August 2017

K B Shetty
Director
DIN: 01451944

Subbarame Gowda
Whole Time Director
DIN: 00046329

ANNEXURE- III

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
 as on the financial year ended on 31st March 2017
 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
 (Management and Administration) Rules, 2014

I. Registration and other details:

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

II. Principal business activities of the company (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

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



III. Particulars of Holding, Subsidiary and Associate Companies (No. of companies for which information is being filled)

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	%of the Shares held	Applicable Section
01	Maharashtra Apex Asset Management Company Limited Add: G5, Ground Floor, Brigade Links Apts, Seshadripuram, Bangalore – 560020	U85110KA1995PLC016881	Subsidiary	99.99	2(87)
02	Eldorado Investments Company Private Limited Add: 504, Vardaman, Chambers, 17/G, CawasjiPatel Street, Fort, Mumbai – 400 023	U65910MH1986PTC039904	Subsidiary	81.00	2(87)
03	Crimson estate & properties Private Limited Add: 315, Dalamal Towers, Nariman Point, Mumbai – 400021	U7010MH1987PTC042955	Subsidiary	99.99	2(87)
04	Kurlon Limited Add: N-301, 3 rd Floor, North Block, Front Wing, Manipal Centre, 47, Dickenson Road, Bangalore - 560042	U17214KA1962PLC001443	Associate	38.00	2(6)
05	Rajmahal Hotels Limited Add: Syndicate House, Upendra Nagar, Manipal, Karnataka – 576 104	U55101KA1976PLC003035	Associate	29.44	2(6)
06	Mangala Investments Limited Add: Syndicate House, Upendra Nagar, Manipal, Karnataka – 576 104	U65993KA1979PLC003652	Associate	28.14	2(6)
07	Manipal Home Finance Limited Add: N-301, 3 rd Floor, North Block, Front Wing, Manipal Centre, 47, Dickenson Road, Bangalore - 560042	U85110KA1994PLC016671	Associate	46.50	2(6)
08	Manipal Springs Limited Add: 131-A, Industrial Area, Baikampady, Mangalore-575011	U29309KA1984PLC005964	Associate	22.97	2(6)

IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
(g) Individuals/ HUF	2470925	706699	3177624	22.46	1970925	706699	2677624	18.92	-3.53
(h) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(i) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(j) Bodies Corp.	4554929	1049233	5604162	39.61	5084462	907533	5991995	42.35	2.74
(k) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(l) Any Other....									
* DIRECTORS	0	0	0	0.00	0	0	0	0.00	0.00
* DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
* PERSON ACTING IN CONCERN	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(1):-	7025854	1755932	8781786	62.06	7055387	1614232	8669619	61.27	-0.79
(2) Foreign									
(a) NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other Individuals									
(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other....									
Sub Total (A)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	7025854	1755932	8781786	62.06	7055387	1614232	8669619	61.27	-0.79
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks FI	480	399	879	0.01	480	399	879	0.01	0.00
(c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govet(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)									
* U.T.I.	0	0	0	0.00	0	0	0	0.00	0.00
* FINANCIAL INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
* I.D.B.I.	0	0	0	0.00	0	0	0	0.00	0.00
* I.C.I.C.I.	0	0	0	0.00	0	0	0	0.00	0.00
* GOVERNMENT COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
* STATE FINANCIAL CORPORATION	0	0	0	0.00	0	0	0	0.00	0.00



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
* QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
* ANY OTHER	0	0	0	0.00	0	0	0	0.00	0.00
* OTC DEALERS (BODIES CORPORATE)	0	0	0	0.00	0	0	0	0.00	0.00
* PRIVATE SECTOR BANKS	400	0	400	0.00	400	0	400	0.00	0.00
Sub-total (B)(1):-	880	399	1279	0.01	880	399	1279	0.01	0.00
(2) Non-Institutions									
(a) Bodies Corp.									
(i) Indian	83731	12647	96378	0.68	298558	12647	311205	2.20	1.52
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(I) Individual shareholders holding nominal share capital upto Rs. 1 lakh	931623	3152143	4083766	28.86	1062835	3011254	4074089	28.79	-0.07
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	523377	473960	997337	7.05	483156	473960	957116	6.76	-0.28
(c) Others (specify)									
* N.R.I. (NON-REPAT)	3386	249	3635	0.03	10136	249	10385	0.07	0.05
* N.R.I. (REPAT)	7560	0	7560	0.05	23294	0	23294	0.16	0.11
* FOREIGN CORPORATE BODIES	0	0	0	0.00	0	0	0	0.00	0.00
* TRUST	2192	2000	4192	0.03	2192	2000	4192	0.03	0.00
* HINDU UNDIVIDED FAMILY	40169	0	40169	0.28	35309	0	35309	0.25	-0.03
* EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
* MARKET MAKER	0	0	0	0.00	0	0	0	0.00	0.00
* CLEARING MEMBERS	133998	0	133998	0.95	63612	0	63612	0.45	-0.50
* DEPOSITORY RECEIPTS	0	0	0	0.00	0	0	0	0.00	0.00
* OTHER DIRECTORS & RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	1726036	3640999	5367035	37.93	1979092	3500110	5479202	38.72	0.79
Total Public Shareholding (B) = (B)(1)+(B)(2)	1726916	3641398	5368314	37.94	1979972	3500509	5480481	38.73	0.79
C. TOTSHR held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GrandTotal(A + B + C)	8752770	5397330	14150100	100.00	9035359	5114741	14150100	100.00	0.00
Other	0	0	0	0.00	0	0	0	0.00	0.00

B) Shareholding of Promoter-

S.N	Shareholder's Name	Shareholding at the beginning of the year 31-3-2016			Share holding at the end of the year 31-3-2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Manipal Holdings Private Limited	2488875	17.59	0	2488875	17.59	0	0
2	Jaya S Pai	2127365	15.03	0	1627365	11.50	0	-3.53
3	Metropolis Builders Pvt Ltd	1362743	9.63	0	1888364	13.35	0	3.72
4	Chitrakala Investment Trade & Busin	906297	6.40	0	906297	6.40	0	0
5	Mangala Investments Limited	670000	4.73	0	670000	4.73	0	0
6	Tonse Sudhakar Pai	391198	2.76	0	391198	2.76	0	0
7	Shanti Ramesh Pai	386110	2.73	0	386110	2.73	0	0
8	Sheela Pai	265184	1.87	0	265184	1.87	0	0
9	Jai Bharath Mills Private Limited	141700	1.00	0	0	0	0	-1.00
10	General Investment And Commercial C	34147	0.24	0	38059	0.27	0	0.03
11	T Ramesh U Pai	7085	0.05	0	7085	0.05	0	0
12	Varada S Prabhu	562	0	0	562	0	0	0
13	Efficient Management Services (P) L	400	0	0	400	0	0	0
14	Tonse Satish Upendra Pai	120	0	0	120	0	0	0

C) Change in Promoter's Shareholding:

SI No.		Share Holding at the beginning of the year 31/03/2016		Cumulative Shareholding during the year 31/03/2017		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
1	MANIPAL HOLDINGS PRIVATE LIMITED	2488875	17.59			
	31-Mar-17	2488875	17.59	2488875	17.59	
2	JAYA S PAI	2127365	15.03			
	24-Mar-17	-500000	-3.53			Sell
	31-Mar-17			1627365	11.50	
3	METROPOLIS BUILDERS PVT LTD	1362743	9.63			
	8-Apr-16	12378	0.09	1375121	9.71	Buy
	3-Jun-16	13243	0.09	1388364	9.81	Buy
	31-Mar-17	500000	3.53	1888364	13.34	Buy
	31-Mar-17			1888364	13.35	

SI No.		ShareHolding at the beginning of the year 31/03/2016		Cumulative Shareholding during the year 31/03/2017		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
4	CHITRAKALA INVESTMENT TRADE & BUSIN	906297	6.40			
	31-Mar-17			906297	6.40	
5	MANGALA INVESTMENTS LIMITED	670000	4.73			
	31-Mar-17			670000	4.73	
6	TONSE SUDHAKAR PAI	391198	2.76			
	31-Mar-17			391198	2.76	
7	SHANTI RAMESH PAI	386110	2.73			
	31-Mar-17			386110	2.73	
8	SHEELA PAI	265184	1.87			
	31-Mar-17			265184	1.87	
9	JAI BHARATH MILLS PRIVATE LIMITED	141700	1			
	6-May-16	-141700	-1	0	0.00	Sell
	31-Mar-17			0	0.00	
	31-Mar-17			0	0.00	
10	GENERAL INVESTMENT AND COMMERCIAL C	34147	0.24			
	20-May-16	1212	0.01	35359	0.25	Buy
	16-Sep-16	200	0.00	35559	0.25	Buy
	30-Sep-16	2350	0.02	37909	0.27	Buy
	25-Nov-16	150	0.00	38059	0.27	Buy
	31-Mar-17			38059	0.27	
11	T RAMESH U PAI	7085	0.05			
	31-Mar-17			7085	0.05	
12	VARADA S PRABHU	562	0.00			
	31-Mar-17			562	0.00	
13	EFFICIENT MANAGEMENT SERVICES (P) L	400	0.00			
	31-Mar-17			400	0.00	
14	TONSE SATISH UPENDRA PAI	120	0.00			
	31-Mar-17			120	0.00	

D. Shareholding Pattern of top ten Shareholders:

SI No.		ShareHolding at the beginning of the year 01/04/2016		Cumulative Shareholding during the year 31/03/2017		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
1	GOKULDAS HEGDE	192985	1.36			
	31-Mar-17			192985	1.36	
2	SURESHBHAI POPATBHAI BHANDERI	158830	1.12			
	23-Dec-16	-55008	-0.39	103822	0.73	Sell
	30-Dec-16	-43900	-0.31	59922	0.42	Sell
	13-Jan-17	-29830	-0.21	30092	0.21	Sell
	3-Feb-17	-30000	-0.21	92	0.00	Sell
	31-Mar-17			92	0.00	
3	ANS PVT LIMITED	132998	0.93			
	23-Dec-16	-129992	-0.92	2306	0.02	Sell
	6-Jan-17	-2306	-0.02	0	0.00	Sell
	31-Mar-17			0	0.00	
4	D VEERENDRA HEGDE	88320	0.62			
	31-Mar-17			88320	0.62	
5	SHILPA PAI	64285	0.45			
	31-Mar-17			64285	0.45	
6	DAVE AJAY GIRISHCHANDRA	64100	0.45			
	8-Apr-16	11025	0.08	75125	0.53	Buy
	12-Aug-16	115	0.00	75240	0.53	Buy
	13-Jan-17	-1240	-0.01	74000	0.52	Sell
	20-Jan-17	-3000	-0.02	71000	0.50	Sell
	3-Feb-17	-3000	-0.02	68000	0.48	Sell
	31-Mar-17			68000	0.48	
7	NITIN GAJANANRAO KHOT	61650	0.44			
	31-Mar-17			61650	0.44	
8	T G SREENIVASAN NAIR	38610	0.27			
	31-Mar-17			38610	0.27	
9	MAHESH RAMDAS KANANI	35371	0.25			
	24-Jun-16	558	0.00	35929	0.25	Buy
	22-Sep-16	-250	0.00	35679	0.25	Sell
	7-Oct-16	-5	0.00	35674	0.25	Sell
	9-Dec-16	-5000	-0.04	30674	0.22	Sell
	10-Feb-17	-100	0.00	30574	0.22	Sell
	3-Mar-17	2111	0.01	32685	0.23	Buy
	31-Mar-17			32685	0.23	
10	SPINNEX INDIA PVT.LTD	30000	0.21			
	16-Dec-16	-1000	-0.01	29000	0.20	Sell
	23-Dec-16	-29000	-0.20	0	0.00	Sell
	31-Mar-17			0	0.00	

E) Shareholding of Directors and Key Managerial Personnel:

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

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3011.56	561.81	-	3573.37
ii) Interest due but not paid	4080.64	-	-	4080.64
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	7092.20	561.81		7654.01
Change in Indebtedness during the financial year				
# Addition	-	-	-	-
# Reduction	498.38	-	-	498.38
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	2720.24	561.81	-	3282.05
ii) Interest due but not paid	3873.58	-	-	3873.58
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6593.82	561.81	-	7155.63

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

SN.	Particulars of Remuneration	Mr. S R Gowda	Total Amount
1	Gross salary	4,05,580.00	4,05,580.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission-as % of profit - others, specify...	0.00	0.00
5	Others, please specify	0.00	0.00
	Total (A)	4,05,580.00	4,05,580.00
	Ceiling as per the Act	₹60 lacs p.a.	

*The ceiling as per the Act is not applicable since the company has not commenced business and consequently the remuneration is paid in absence of profits. Compliance with Rule 7(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section II of Part II of Schedule V of the Companies Act 2013

B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Sri K B Shetty	Sri S SKamath	Smt Jyothi V B	
1.	Independent Directors				
	Fee for attending board committee meetings	8,000.00	8,000.00	0.00	16,000.00
	Commission	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00
	Total (1)	8,000.00	8,000.00	0.00	16,000.00
2.	Other Non-Executive Directors				
	Fee for attending board committee meetings	0.00	0.00	8,000.00	8,000.00
	Commission				
	Others, please specify	0.00	0.00	0.00	0.00
	Total (2)	0.00	0.00	0.00	0.00
	Total (B)=(1+2)	0.00	0.00	8,000.00	8,000.00
	Total Managerial Remuneration	8,000.00	8,000.00	8,000.00	24,000.00
	Overall Ceiling as per the Act	NA			

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

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

XII. Penalties / punishment/ compounding of offences: None

For and on behalf of the Board

Maha Rashtra Apex Corporation Limited

Place: Manipal
Date : 14th August 2017

K B Shetty
Director
DIN: 01451944

Subbaram Gowda
Whole Time Director
DIN: 00046329

Annexure IV

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017

To,
The Members,
MahaRashtra Apex Corporation Limited
Manipal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MahaRashtra Apex Corporation Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31.03.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) ~~Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;~~
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) ~~The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;~~
and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(I) The Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 205
- (vi) Other Labour, Industrial and Environmental laws as applicable to the company
I/we have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) ~~The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange, if applicable;~~

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

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

1. Financials of associate companies are not consolidated with company's financial statements
2. The company has not appointed internal auditor
3. The preference shareholders are part of the scheme of arrangement. However, no immunity from this section is obtained by any interim order of Karnataka High court and the company has also not allowed voting rights as per the section.
4. The company had not appointed CFO till 31.03.2017
5. The company has not intimated the details of KMP assigned to determine materiality of events, provided to stock exchange
6. Company's website does not include certain disclosures mandated under Company Laws & Securities Laws
7. The company has not disclosed cumulative impact of modified opinion and note on addressing the same - in the financials for the year ended 31.03.2016
8. The company has not submitted "state of impact of audit qualification" - with the financials for the year ended 31.03.2016
9. Company has not filed financials in XBRL mode – for the year ended 31.03.2016
10. Promoter & promoter group shareholding is not 100% in demat

Signature:

Date : 14.08.2017

Place: Bangalore

Name of Company Secretary in practice / Firm: Madhwesh K
ACS/FCS No.: 21477
C P No.: 10897



**BOARD'S RESPONSE TO SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017**

To,
The Members,
MahaRashtra Apex Corporation Limited
BENGALURU

1. The Audited Financial Statement/Financial information of the Associate Companies for the year ended 31st March, 2017 were not received so, not consolidated.
2. The Company is repaying its debts after getting sanction from Karnataka High Court under Section 391 of the Companies Act, 1956. At present the Company is not doing any business except collection of loans and repayment of deposits. Big loan accounts are monitored by asset recovery board and deposit repayments are monitored by High Court from time to time. Due to financial position of the company it is a hardship on the company to remunerate internal auditor as per market standards.
3. The company will obtain relevant order from High Court in due course, failing which the company will provide voting rights to preference shareholders going forward
4. As the focus is only on collection of loans and repayment deposits the appointment of CFO is considered not necessary. Further, due to financial constraints it is a hardship on the company to remunerate CFO as per market standard.
5. The company will make relevant disclosures going forward
6. Company will take necessary steps to include certain disclosures mandated under Company Laws & Securities Laws in the Website of the Company.
7. The company will make relevant disclosures going forward
8. The company will make relevant disclosures going forward
9. Company will file the financials in XBRL mode – for the year ended 31.03.2017 onwards.
10. Company will take necessary steps to demat all the holdings of promoters.

Date : 14.08.2017
Place: Manipal

(S R Gowda)
Whole Time Director
DIN-00046329

CORPORATE GOVERNANCE REPORT- 2017

1. COMPANY'S PHILOSOPHY:

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

2. BOARD OF DIRECTORS:

Composition and category of directors:

As of 31st March, 2017 the total strength of the Board of Directors was four directors. All the directors except the Whole Time Director are Non-Executive Directors. 50% of the Board Members consisted of Independent Directors. Composition of the Board of Directors of the Company and their other Directorship(s)/Committee Membership(s)/Chairmanship(s) as on 31st March, 2017 was as under:

Four Board Meetings were held during the period 2016-17. These meetings were held on 30th May, 2016, 13th August, 2016, 11th November, 2016, and 13th February, 2017 .

The details are follows:

Sl. No	Name of Directors	Category of Directorship	No of Board Meetings Attended	Attendance at last AGM	No of other Directorship	No. of other Committee Membership or Chairmanship	
						Member	Chairman
1	Sri S. R. Gowda	Executive & Whole Time Director	4	Yes	18	2	0
2	Sri K B Shetty	Independent Non-Executive Director	4	Yes	Nil	3	1
3	Sri S S Kamath	Independent Non-Executive Director	4	Yes	10	3	1
4	Smt Jyothi V B	Non-Executive Director	4	Yes	Nil	1	0

3. COMMITTEES OF THE BOARD

a) AUDIT COMMITTEE:

Composition of the Audit Committee meets all the criteria under the law. The Committee comprises of three Directors, majority being Non-Executive and independent. It met four times during the period 2016-2017 on 30th May, 2016, 13th August, 2016, 11th November, 2016 and 13th February, 2017.

The Audit Committee comprised of the following members:

Sri K B Shetty	Chairman
Sri S R Gowda	Member
Sri S S Kamath	Member

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

The Chairman of the Audit Committee was present at the annual general meeting held on 29th September, 2016. The Composition of the committee is in accordance with the requirements of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The particulars of meetings and attendance by the members of committee during the year under review as are given in the table below:

Attendance of the Directors in the Audit Committee Meeting:

30th May, 2016	Sri K B Shetty Sri S S Kamath Sri S R Gowda
13th August, 2016	Sri K B Shetty Sri S R Gowda Sri S S Kamath
11th November, 2016	Sri K B Shetty Sri S R Gowda Sri S S Kamath
12th February, 2017	Sri K B Shetty Sri S R Gowda Sri S S Kamath

Brief description of terms of reference:

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

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

b) NOMINATION AND REMUNERATION COMMITTEE:

The Board constituted a Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 .

The Committee consists of the following directors:

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

Nomination and Remuneration Policy

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

Details of remuneration paid to the Whole-Time Director during the period from 1.4.2016 to 31.3.2017 is given here below:

- i) Whole-Time Director ₹. 4.16 lakhs
- ii) Non-Executive Directors Nil

c) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee comprising three members of the Board, approves transfers, transmission issue of duplicate shares and review and redress Share holders grievances/complaint on matters relating to transfer of shares and non-receipt of Balance Sheet. The Committee met 33 times during the year under report.

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

Sl.No	Name of Director	Category of Directorship	No. of Meeting attended
1	Sri S R Gowda	Executive	33
2	Sri K B Shetty	Non-Executive-Independent	-
3	Sri S S Kamath	Non-Executive-Independent	33

Mr S S. Kamath heading the Committee, Company Secretary is the Compliance Officer.

No. of Share Holders Complaints received during the year - 3
 No. of Share Holders Complaints settled during the year - 3
 No. of Complaints pending for settlement - Nil

4. GENERAL MEETINGS:

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

AGM No.	DATE	TIME	Special Resolution required for
70	30.9.2014	11.00 a m	*1
71	30.9.2015	12.00 a.m	NIL
72	29.9.2016	12.00 noon	**3

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

**1. To Approve of borrowing Limits of the Company.
 **2. To Approve the limits for investing Funds of the company.
 **3. To adopt new set of Articles of Association.

All the resolutions as set out in the respective notices were passed by the Share holders. No special resolution was passed through Postal Ballot in the financial year 2016-17 and the Company does not propose to pass any Special Resolution through Postal Ballot as on the date of report.

5. DISCLOSURES:

Disclosure regarding Material Related Party Transaction:

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

Disclosures regarding non-compliance:

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

Vigil Mechanism:

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

Compliance with mandatory requirements:

The Company has complied with all the mandatory requirements of Clause Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



6. MEANS OF COMMUNICATION:

- a) Quarterly/Half/Yearly Financial Results of the Company were forwarded to Stock Exchanges in addition to getting the same published in the leading English Daily (Indian Express) & Regional Newspaper (Kannada Prabha) as per the Listing Agreement and SEBI (LODR) Regulations, 2015 .
- b) The financial results also displayed on the Company's website – www.maharashtraapex.com
- c) Company has not made any presentations to any institutional Investors/Analyst during the year.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

BUSINESS REVIEW:

During the year Company collected ₹190.82 lakhs by debt recoveries.

REPAYMENT OF DEPOSIT/BOND:

In terms of Scheme of arrangement sanctioned by the Hon'ble High Court of Karnataka, the Company has completed three instalments. The payment of 4th instalment is in progress .The outstanding balance of Deposit/Bond is ₹ 2720.24 lacs as on 31st March, 2017.

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 33 Staff members working in the entire organisation as on 31.3.2017 .

8. GENERAL SHAREHOLDER INFORMATION:

i) Share Price Data:

Market price data of the Company's equity Shares in Bombay Stock Exchange Ltd for the period from April, 2015 to March 2016 is as below:

a) Annual General Meeting: Date: Time: Venue:	73 rd Annual General Meeting 29.03.2017 12.00 NOON Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jahaali Camp Road, Yashwantpur, Bangalore – 560022
b) Financial Year: c) Date of Book-Closure: d) Dividend:	1 st April to 31st March, 23.9.2017 to 29.9.2017 (both days inclusive) for the purpose of Annual General Meeting of the Company. The Board of Directors has not recommended any dividend on Equity Shares for the period 2016-17.
e) Registered Office: f) Listing on Stock-Exchanges:	3 rd Floor, Front Wing, North Block, Manipal Centre, / 7, Dickenson Road, Bangalore – 560042 The Equity Shares are listed at the Bombay Stock Exchange Ltd & National Stock Exchange Ltd. The Listing Fee for the year 2016-17 has been paid to both of the Stock Exchanges and custodial fees paid for the year 2016-17 to NSDL and CDS.
g) Stock Code BSE: NSF:	523384 MAHAPXITD
h) Demat ISIN Number of Equity Shares of the Company and liquidity:	INE843B01013 As on 31st March, 2017, 90,35,359 Equity Shares forming 63.55% Share Capital of the Company stands Dematerialised.

i) Share Price Data:

Market price data of the Company's equity Shares in Bombay Stock Exchange Ltd for the period from April, 2016 to March 2017 is as below:

Month	High	Low
April, 2016	13.30	11.74
May, 2016	11.74	11.16
June, 2016	10.65	8.85
July, 2016	8.41	6.25
August, 2016	10.81	6.23
September, 2016	17.85	11.25
October, 2016	17.06	12.92
November, 2016	18.50	15.75
December, 2016	43.70	17.25
January, 2017	120.95	43.70
February, 2017	146.85	91.55
March, 2017	108.00	57.50

j) Registrar and Share Transfer Agents:

M/s PurvaSharegistry (India) Pvt Ltd.
 Unit MahaRashtra Apex Corporation Ltd
 9 Shiv Shakti Industrial Estate
 7-B J R BorichaMarg
 MUMBAI-400 011
 Tel: 23010771, 23016761
 Email – purvashr@gmail.com
 Web site – www.purvashare.com

Share Transfer Systems

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

k) DISTRIBUTION OF EQUITY SHAREHOLDING ON 31st MARCH, 2017:

SHARE HOLDING OF NOMINAL VALUE OF (1)	NUMBER (2)	% TO TOTAL (3)	IN ₹ (4)	% TO TOTAL (5)
UPTO 5,000	9660	85.60	23246350	16.43
5,001 - 10,000	1077	9.54	7686980	5.43
10,001 - 20,000	334	2.96	4648660	3.29
20,001 - 30,000	74	0.66	1831970	1.29
30,001 - 40,000	38	0.34	1333350	0.94
40,001 - 50,000	15	0.13	711550	0.50
50,001 – 1,00,000	44	0.39	3395460	2.40
1,00,001 AND ABOVE	42	0.37	98646680	69.71
TOTAL	11284	100	14150100	100



I. SHAREHOLDING PATTERN AS ON 31st MARCH, 2017

Category	No. of Shares Held	Percentage of Shareholding
A. Directors and Promoters	8670819	61.27
B. Institutional Investors	0.00	0.00
C. Mutual Funds and UTI	0.00	0.00
D. Banks	1279	0.01
E. FIIs	0.00	0.00
F. Private Corporate Bodies	311205	2.19
G. Indian Public	5030005	35.55
H. NRI ((Repat& Non-Repat)	33679	0.24
I. Any other(Please specify)		
i.Hindu Undivided Family	35309	0.25
ii.Trust	4192	0.03
iii.Clearing Member	63612	0.45
GRAND TOTAL	14150100	100

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

m) Plant Locations: Nil

n) ADDRESS FOR INVESTORS CORRESPONDENCE:

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

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the 'Code of Conduct' for the Financial Year 2016-17.

Place: Manipal
Date: 26th May 2017

Subbarame Gowda
Whole Time Director
DIN: 00046329

Whole Time Director/CFO CERTIFICATION

To

The Board of Directors
MAHARASHTRA APEX CORPORATION LTD
Bangalore

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

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) there is no significant changes in internal control over financial reporting during the year;
 - (ii) there is no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there are no instances of significant fraud of which they have become aware and the involvement therein, of the management or an employee having a significant role in the company's internal control system over financial reporting.

CHIEF FINANCIAL OFFICER

WHOLE TIME DIRECTOR

Place: Manipal
Date: 26th May 2017



AUDITORS' CERTIFICATE

We have examined the compliance of corporate governance by MahaRashtra Apex Corporation Ltd (the Company) for the year ended 31st March, 2017, as stipulated in:

Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations for the period from April 01, 2016 to March 31, 2017.

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 have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

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

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

P V Shenoy
Partner
Membership No.020205

Place: Manipal
Date: 26th May 2017



INDEPENDENT AUDITOR'S REPORT

To the Members,
MAHA RASHTRA APEX CORPORATION LTD

Report on the Financial Statements

1 We have audited the accompanying financial statements of **MAHA RASHTRA APEX CORPORATION LTD. ("the Company")**, which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2 The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3 Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement

4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the standalone financial statements

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



Basis for qualified Opinion:

In terms of directions issued by RBI we state that:

The RBI has cancelled the certificate of registration granted to the company to act as Non-Banking Financial Company with effect from 13.06.2002.

Accrued interest on deposits and bonds were provided up to 31.03.2002 only in accordance with the scheme of restructure of the debts as sanctioned by the Honorable High Court of Karnataka. (Refer Note No. 3 (3.1).

The company has stopped the repayment of deposits/debentures on maturity dates till the sanction of the scheme of restructure by the Honourable High Court of Karnataka on 8th of October 2004. Now the company has started repayment under the sanctioned scheme. (Refer Note No. 3 (3.1).

Though the management is of the opinion that it will be able to monitor effectively the deficit of Operation we are unable to comment on the ultimate reliability of the assets of the company.

All the installment of repayments of deposits/bonds as per the scheme of High Court of Karnataka are due for payment on 15th September 2009 and 15th June 2009. The company stopped repayment of deposits/bonds on maturity dates till the sanction of restructure by the Honorable High Court of Karnataka on 8th October 2004. Now the company has started repayment of deposits/bonds under the sanctioned scheme and shortfall in repayment amounted to ₹4222.85 lakhs.

Provision has not been made in the accounts as required under RBI prudential Norms since 2000. The effect of non-provision is overstatement of assets by ₹1,455.19 lakhs, and Understatement of loss by ₹1455.19 lakhs.

In terms of direction issued by RBI

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

Emphasis on Matters:

Your kind attention is drawn to the following matters:

i. Note 3.5 on Notes to accounts, the company is incurring losses since 2001 and its funds are blocked in non-performing assets. The assets of the company is completely eroded and net worth of the company is negative. The company has prepared its financial statement of accounts on a going concern basis as the management is of the view that it will be able to recover the dues from the borrowers/debtors and monitor the deficit in operation but we are unable to comment on the ultimate reliability of company's assets. These conditions indicate the existence of material uncertainty that may cast significant doubt about the companies ability to continue as a going concern.

ii. Note 3.6 to Notes on Accounts, Provision has not been made in the accounts as required under RBI prudential Norms since 2000. The effect of non-provision is overstatement of assets by ₹.1455.19 Lakhs, and Understatement of loss by ₹1455.19 lakhs.

iii. Note 3.7 to Notes on Accounts, Investment in shares includes 750000 equity shares of ₹10 each in



Bhooma Automobiles Ltd., sent for transfer in June 2012 is still pending for transfer in the name of the company. These shares were initially held by the company shown under investment and included in the list submitted to Honorable High Court of Karnataka in CP/37/2003. Subsequently these shares were sold, but ROC Karnataka objected for sale of these shares for not obtaining prior permission from Honorable High Court of Karnataka. Therefore the company repurchased these shares during 2012 and sent for transfer in the companies name. These shares are not available for physical verification. And company has invested 50,000 shares of ₹10/- each in Eldorado Investment Company Pvt. Ltd., a subsidiary company for a consideration of ₹9,50,000/-, share certificate not produced for verification.

iv. No provision for Income tax liability against the order of the AO u/s 143(3) amounting to ₹.264.82 Lakhs in respect of following assessment years.

- i. A. Y 1998 – 99 ₹52.44 lakhs against disallowance of depreciation on leased asset and not giving credit for Tax*
- ii. A. Y 1999 – 2000 ₹85.80 Lakhs against disallowance of depreciation on Leased assets and Bad debts.*
- iii. A. Y 2000 – 01 ₹126.58 lakhs against disallowance of depreciation on Leased assets and Bad debts. These appeals are pending before CIT (A) for disposal.*
- iv. Disputed sales tax amounting to ₹17.54 lakhs in Andhra Pradesh pending for disposal Sales Tax Appellate Tribunal.*
- v. Note No 3.11 of Notes on account Un En-cashed cheques amounting to ₹508.68 lakhs being unencashed DD/Multi city cheques issued for repayment of deposits/Bonds in terms of the scheme which is included under other current liabilities.*

Qualified Opinion

6 In our opinion and to the best of our information and according to the explanations given to us, except for the effect/possible effect of the matters included in para the Basis for Qualified Opinion Paragraph and under Emphasis on matters reported above, to this report referred to in the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2017, its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" statement on the matters Specified in paragraphs 3 and 4 of the Order to the extent applicable.

8 As required by section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are In agreement with the books of account;
- d. *in our opinion, except the matters in para on emphasis matter reported above, and Basis for Qualified Opinion may have adverse effect on the functioning on the company, aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule*



- 7 of the Companies (Accounts) Rules 2014
- e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With Respect to the adequacy of Internal financial controls over financial reporting of Company and the Operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. Company has not appointed Internal auditor as per the requirement of companies act 2013*
- h. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- (i) The Company has disclosed the impact of pending litigations which would impact its financial position – refer to Note No 3.13 Notes to accounts.
- (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- (iii) As the entire deposit liability is covered under the scheme of arrangement transfer of unclaimed deposit and remaining unpaid for a period of exceeding 7 years to Investor Education and Protection Fund, the question of delay in transferring such sums does not arise.
- (iv) The company has provided requisite disclosures in the financial statements as to holdings as well as dealings in specified Bank notes during the period from 8th November 2016 to 30th December 2016. However, as stated in note No 3.19 to the financial statements amounts aggregating to Rs. 1500/- as represented to us by the management have been utilized for other than Permitted Transactions.
- i. An amount of ₹.4,40,268/- provided in the accounts towards delayed payment of interest under section 194 A of IT Act 1961, on repayment of deposits / bonds is liable for disallowance under 40 (a) (ia).

For **RAO AND SWAMI**
Chartered Accountants
Firm Registration No. 003105S

Place : Manipal.
Date : 26/05/2017

P V Shenoy
(M.No.020205)
Partner



Annexure “A” to the Independent Auditor’s Report to the members of Company for the year ended 31st March, 2017

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
 - (b) i. Fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
 - ii. Assets on lease have not been physically verified by the Management as most of the assets are under legal proceedings. Material discrepancies noticed on such verification have been properly dealt with in the books of account.
- (c) The title deeds of the immovable properties are in the name of the Company.
- (ii) The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company
- (iii) The company has not granted any loans, during the year secured or unsecured to companies, firms, Limited liability Partnership or other parties covered in the register maintained under section 189 of the Act.
In respect of loans granted in earlier years the repayment of loans is not regular but the company has taken proper steps for recovery.
- (iv) The Company has not made any Loans requiring compliance of section 185 of the Companies Act 2013 during the year. In respect of an *Investment of 50,000 equity shares of ₹.10/- each in M/s Eldorado Investments Company (P) Ltd. a subsidiary company for a sale consideration of ₹. 9,50,000/- compliance of Section 186 of the Companies Act 2013 is pending.*
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act
- (vii) (a) Based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, , Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India ;
 - (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes. Disputed income tax liability amounting to ₹264.82 lakhs for the Assessment years 1998-99 to 2000-01 are pending before CIT(A) for disposal. This demand has raised on account of disallowance of depreciation on leased assets and bad debts. The said demand is adjusted against refund due to the company. Disputed sales tax amounting to ₹17.54 lakhs in Andhra Pradesh pending for disposal Sales Tax Appellate Tribunal.



- viii) The company has not borrowed loans from Banks financial institution, government authorities. In respect of Debenture interest accrued thereon up to 31.03.2002, the company is in the process repayment as per the scheme of compromise and arrangement sanctioned by the Honorable High Court of Karnataka dated 8th October 2004.
- (ix) The company has not raised money by way of Initial public offer /Further Public Offer (including debt Instrument) during the year.
- (x) No fraud on or by the Company was noticed or reported during the year under report
- (xi) The Managerial Remuneration paid to its Managing Director is within the limits specified under Section 197 read with Schedule V of the Companies Act.
- (xii) The Company is Not a Nidhi company and Nidhi rules 2015 is not applicable.
- (xiii) The Company has disclosed all transaction with the related parties are in compliance with section 177 and 188 of Companies Act 2013 were applicable and the details have been disclosed in the financial statements etc., as required by applicable accounting standards. *However in respect of Two Associate companies i.e Mangala Investment Limited and Rajmahal Hotels Ltd in-absence of documentary evidence we are unable to comment upon related party transactions entered in-respect of arm's length price.*
- (xiv) No private placement or preferential allotment of the shares or debentures were made during the year.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The certificate of registration granted to the company to act as Non-Banking Financial Company as per Section 45-IA of Reserve Bank of India Act, 1934, has been cancelled by an order dated 13th June 2002.

For RAO AND SWAMI
Chartered Accountants
Firm Registration No 003105S

Place : Manipal.
Date : 26/05/2017.

P V Shenoy
(M.No.020205)
Partner



Annexure 'B' to the Auditors Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of MAHA RASHTRA APEX CORPORATION LIMITED (“the Company”) as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control



over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un-authorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **RAO AND SWAMI**
Chartered Accountants
Firm's Registration Number: 003105S

Place: Manipal.
Date : 26/05/2017

P V Shenoy
Partner
Membership Number: 020205



BALANCE SHEET AS ON - 31.03.2017

₹ in lakhs

Particulars		Note No.	Current Year 31-March-2017	Previous Year 31-March-2016
I	Equity And Liabilities			
	1 Shareholders Funds			
	a) Share Capital	1	1442.78	1442.74
	b) Reserves & Surplus	2	(8926.22)	(8887.29)
	2 Non-Current Liabilities			
	a) Other Long Term Liabilities	3(a)	652.92	664.60
	b) Long-Term Provisions	3(b)	1262.28	1262.28
	3 Current Liabilities			
	a) Trade Payables	4(a)	1.76	12.28
	b) Other Current Liabilities	4(b)	10993.94	11400.09
	TOTAL		5427.46	5894.70
II	ASSETS			
	Non Current Assets			
	1 a) Fixed Assets			
	Tangible Assets	5(a)	123.51	126.52
	(b) Non Current Investments	5(b)	2609.17	2612.79
	(c) Long Term Loans & Advances	5(c)	1055.09	1277.18
	(d) Other Non Current Assets	5(d)	0.00	2.20
	2 Current Assets			
	(a) Trade Receivables	6(a)	409.05	543.42
	(b) Cash and Cash Equivalents	6(b)	311.43	348.64
	(c) Short Term Loans and Advance	6(c)	611.68	665.87
	(d) Other Current Assets	6(d)	307.53	318.08
	TOTAL		5427.46	5894.70
	Significant Accounting Policies and Notes to Accounts	12		

The Notes are an integral part of these financial statements

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

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

S S Kamath
Director
DIN: 01039656
Manipal
May 26, 2017

Jyothi V B
Director
DIN: 07133349

J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205
Manipal
May 26, 2017



'STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017			
₹ in lakhs			
Particulars	Note No.	Current Year 31-March-2017	Previous Year 31-March-2016
I. Revenue from Operations	7	46.09	40.04
II. Other Income	8	89.26	78.35
III. Total Revenue (I+II)		135.35	118.39
IV. Expenses:			
Employee Benefits Expense	9(a)	69.05	71.77
Finance Cost	9(b)	158.55	214.95
Depreciation and amortisation expense	9(c)	2.89	3.61
Other expenses	9(d)	65.39	72.78
Total Expenses		295.88	363.11
V. Profit before exceptional and extraordinary items and tax (III-IV)		(160.53)	(244.72)
VI. Exceptional Items —	10	(219.28)	(523.15)
VII. Profit before extraordinary items and tax (V-VI)		(379.81)	(767.87)
VIII. Extraordinary Items	11	340.84	744.48
IX. Profit before Tax (VII+VIII)		(38.97)	(23.39)
X. Tax Expense			
(1) Current Tax		0.00	0.00
(2) Deferred Tax		0.00	0.00
XI. Profit (Loss) for the period from continuing operations		(38.97)	(23.39)
XII. Profit (Loss) for the period		(38.97)	(23.39)
XIII. Earnings per equity share:			
(1) Basic		(0.28)	(0.17)
(2) Diluted		(0.28)	(0.17)
Significant Accounting Policies and Notes to Accounts	12		
The Notes are an integral part of these financial statements			

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

Refer our Report of even date
For RAO & SWAMI,
Chartered Accountants
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S S Kamath
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Manipal
May 26, 2017

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Director
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J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205
Manipal
May 26, 2017

NOTES FORMING PART OF BALANCE SHEET AS ON 31st March 2017

₹ in lakhs

	Current Year 31-March-2017		Previous Year 31-March-2016	
EQUITY AND LIABILITIES				
1 SHARE HOLDERS FUNDS				
Note No.1 SHARE CAPITAL				
Authorised				
20000000 Equity Shares of ₹10/- each	2000.00		2000.00	
20000000 Redeemable Cumulative Preference Shares of ₹10/- each (P.Y.2,00,00,000 Equity Shares of ₹10/- each and 2,00,00,000 Redeemable Cumulative Preference Shares of ₹10/- each)	<u>2000.00</u>	4000.00	<u>2000.00</u>	4000.00
Issued :				
14150100 Equity Shares of ₹ 10/- each	1415.01		1415.01	
1763500 17.50% Redeemable Cumulative Preference shares of ₹10/- each	176.35		176.35	
6236500 14% Redeemable Cumulative Preference Shares of ₹10/- each	<u>623.65</u>	2215.01	<u>623.65</u>	2215.01
Subscribed and Fully Paid-up :				
14150100 Equity Shares of ₹10/- each fully Called-Up (P.Y.14150100 Equity Shares of ₹10/- each fully Called-Up)	1415.01		1415.01	
Less: Calls Unpaid:				
Directors /Officers	Nil		Nil	
Others	<u>3.85</u>	1411.16	<u>3.89</u>	1411.12
316200 14% Redeemable Cumulative Preference shares of ₹10/- each		31.62		31.62
TOTAL		<u>1442.78</u>		<u>1442.74</u>

- (i) 11667 Equity Shares of ₹10/- each were allotted as fully paid pursuant to terms of amalgamation without payment being received in cash
- (ii) 400000 Equity Shares of ₹10/- each allotted as fully paid bonus shares on capitalisation of Reserves
- (iii) 408240 Equity Shares of ₹10/- each allotted as fully paid bonus shares on capitalisation of Share Premium account



₹ in lakhs

Particulars	As at 31-March-2017		As at 31-March-2016	
	Number of shares	Amount	Number of shares	Amount
Reconciliation of Number of Shares				
Equity Shares:				
Balance at the Beginning of the year	14150100	1411.16	14150100	1411.12
Add: Shares Issued during the year	Nil	Nil	Nil	Nil
Balance at the end of the year	14150100	1411.16	14150100	1411.12
Preference Shares				
<u>14% Redeemable Cumulative Preference Shares:</u>				
Balance at the Beginning of the year	316200	31.62	316200	31.62
Add: Shares Issued during the year	Nil	Nil	Nil	Nil
Balance at the end of the year	316200	31.62	316200	31.62

Rights, Preferences and restrictions attached to shares

Equity Shares:

The equity shares have a par value of ₹ 10 per share. Each shareholder is eligible for one vote per each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company (after distribution of all preferential amounts including payment to the preference shareholders) in proportion to their shareholding.

Preference Shares:

Redeemable Cumulative Preference Shares shall be redeemable after expiry of 5 years from the date of allotment. The shares are entitled for preferential right over dividend (before the equity share holders) at the rate 14% which is to be proposed by the Board of Directors and subject to approval of shareholders in the ensuing annual general meeting. However the shares are Cumulative Preference Share and therefore the Shareholders are entitled to carry forward the dividend of a year to the forth coming year/s in case the same is not declared in a year. In the event of liquidation such shareholders are eligible to receive the face value along with cumulative dividend (after distribution of all preferential amount) before the distribution of assets to the equity share holders. In case the assets are not sufficient to cover up the face value, then the same will be distributed in proportion to their shareholding if the surplus available, after distribution of all preferential amount

List of share holders holding more than 5% of the total number of shares Issued by the company

Particulars	As at 31-March-2017		As at 31-March-2016	
	Number of shares	Percentage	Number of shares	Percentage
Equity Shares:				
M/s Manipal Holdings (P) Ltd.	2488875	17.59%	2488875	17.59%
Mrs Jaya S Pai	1627365	11.50%	2127365	15.03%
M/s Chitrakala Investment Trade & Business Finance Ltd.	906297	6.40%	906297	6.40%
M/s Metropolis Builders (P) Ltd.	1888364	13.35%	1362743	9.63%
Preference Shares				
General Investment & Commercial Corporation Ltd.	20100	6.36%	20100	6.36%



Particulars	As at 31-March-2017	As at 31-March-2016
Note No. 2		
RESERVES & SURPLUS		
Capital Reserve	1.03	1.03
Capital Redemption Reserve [Redemption of 17.5% RCP Shares]	176.35	176.35
Securities Premium Reserve	997.53	997.49
General Reserve	218.61	218.61
Special Reserve - [Pursuant to RBI (Amendment) Act, 1997]	159.52	159.52
Surplus Statement of Profit & Loss		
Profit/Loss from Previous Year	(10440.29)	(10416.90)
Profit/Loss for the Current Year	<u>(38.97)</u>	<u>(23.39)</u>
TOTAL	<u>(8926.22)</u>	<u>(8887.29)</u>
2. NON-CURRENT LIABILITIES		
Note No. 3(a)		
OTHER LONG TERM LIABILITIES		
Amount due to Subsidiaries	214.14	218.07
Lease Security Deposits	438.78	446.53
TOTAL	<u>652.92</u>	<u>664.60</u>
Note No. 3(b)		
LONG TERM PROVISIONS		
For Non-performing Assets	<u>1262.28</u>	<u>1262.28</u>
3. CURRENT LIABILITIES		
Note No. 4(a)		
TRADE PAYABLES		
H.P and other Creditors	<u>1.76</u>	<u>12.28</u>
Note No. 4(b)		
OTHER CURRENT LIABILITIES		
Secured		
Unpaid Creditors being outstanding Bonds/Deposits with interest	4146.86	4567.74
Deposit for Bonds with interest less than ₹ 5000/-*	75.99	81.87
Delayed period interest on deposit (Secured by first charge on Co's financial assets, book debts & receivables)	2370.97	2442.59
Unsecured:		
Inter Corporate Deposits	561.81	561.81
Rent Security Deposit	8.10	6.60
TDS for Payments made 2016-2017	0.40	0.37
Liabilities for Expenses	18.44	21.27
Cheque issued for repayment of Deposit/Bonds pending realisation	508.68	415.19
Advance Received for Sale of Property	3300.00	3300.00
Other Advances	0.44	0.40
Collection and other Accounts	0.62	0.62
Other Payables	1.63	1.63
TOTAL	<u>10993.94</u>	<u>11400.09</u>
*(Refer to Notes to Accounts 3.1(d))		



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

₹ in lakhs

Company Assets	Gross Block (At Cost)						Depreciation				Lease Terminal Adjustment		Net Block	
	As on 01.04.2016	Additions	On Assets Sold	Impairment Loss	As on 31.03.2017	Upto 31.03.2016	for the period	On Assets Sold	Impairment Loss	Upto 31.03.2017	For the year	Previous year	As On 31.03.2017	As On 31.03.2016
Land	37.34	0.00	0.00	0.00	37.34	0.00	0.00	0.00	0.00	0.00	-	-	37.34	37.34
Buildings	131.72	0.00	0.00	0.00	131.72	53.86	1.89	0.00	0.00	55.75	-	-	75.97	77.86
Office Furniture & Equipments	81.91	1.89	3.02	8.20	72.58	71.97	0.76	1.44	7.77	63.52	-	-	9.06	9.94
Motor Cars & Other Vehicles	6.90	0.00	0.00	0.00	6.90	5.52	0.24	0.00	0.00	5.76	-	-	1.14	1.38
TOTAL	257.87	1.89	3.02	8.20	248.54	131.35	2.89	1.44	7.77	125.03	-	-	123.51	126.52
ASSETS ON LEASE :														
Plant & Machinery	708.63	0.00	121.21	0.00	587.42	708.63	0.00	121.21	0.00	587.42	0.00	0.00	0.00	0.00
Motor Vehicles	5.11	0.00	0.00	0.00	5.11	5.11	0.00	0.00	0.00	5.11	-	-	0.00	0.00
Gas Cylinders	3.20	0.00	0.00	0.00	3.20	3.20	0.00	0.00	0.00	3.20	-	-	0.00	0.00
Furniture	15.74	0.00	6.38	0.00	9.36	15.74	0.00	6.38	0.00	9.36	-	-	0.00	0.00
TOTAL	732.68	0.00	127.59	0.00	605.09	732.68	0.00	127.59	0.00	605.09	0.00	0.00	0.00	0.00
GRAND TOTAL	990.55	1.89	130.61	8.20	853.63	864.03	2.89	129.03	7.77	730.12	0.00	0.00	123.51	126.52



Particulars	As at 31-March-2017		As at 31-March-2016	
Note No. 5(b)				
NON CURRENT INVESTMENTS				
i) Investment in Property				
Investment in Land acquired in satisfaction of debt		56.21		9.83
INVESTMENTS IN EQUITY INSTRUMENTS				
Long term at cost				
ii) Quoted Equity Shares :				
20000 Voltas Limited shares of ₹1/- each		2.92		2.92
22000 TATA Power Company Limited shares of ₹1/- each		2.62		2.62
9655 HDFC Bank Ltd. Shares of ₹2/- each		6.84	12.38	6.84
				12.38
iii) Unquoted Equity Shares Others				
16000 I C D S Ltd. shares of ₹ 10/- each		6.59		6.59
3000 General Investment & Commercial Corporation Ltd. shares of ₹10/- each		0.30		0.30
2000 Shamrao Vithal Co-operative Bank Ltd. shares of ₹ 25/- each		0.50		0.50
200000 Manipal Motors (P) Ltd. Shares of ₹10/- each		20.00		20.00
4000 MPL Enterprises Ltd. Shares of ₹10/- each		1.65		1.65
750000 Bhooma Automobiles (P) Ltd. shares of ₹10/- each		75.00	104.04	75.00
				104.04
iv) Investment in Associates				
Unquoted Equity Shares				
5693020 Kurlon Limited shares of ₹10/- each		1726.06		1726.06
36368 Rajmahal Hotels Ltd. Shares of ₹10/- each		0.76		0.76
58436 Mangala Investments Ltd. Shares of ₹10/- each		1.50		1.50
895000 Manipal Home Finance Ltd. Shares of ₹10/- each		89.77		139.77
33990 Manipal Springs Ltd. Shares of ₹100/- each		34.16	1852.25	34.16
				1902.25
v) Unquoted Equity Shares of Subsidiaries:				
5025100 Maharashtra Apex Asset Management Co. Ltd. shares of ₹10/- each		502.51		502.51
810000 Eldorado Investments Co. (P) Ltd. shares of ₹10/- each		85.63		85.63
1799950 Crimson Estates & Properties Pvt. Ltd. shares of ₹ 10/- each		180.30		180.30
			768.44	768.44
vi) Investment in Government or Trust Securities				
6 year National Savings Certificate at cost		0.14		0.14
349701.602 units of UTI - Bluechip Flexicap Fund (Div) of ₹10/- each		14.41		14.41
6500 units of UTI - Mastershare (Div) of ₹10/- each		0.92	15.33	0.92
				15.33
vii) Investment in Debentures or Bonds				
Unquoted Debentures				
750 Jay Rapid Roller Limited Debentures of ₹1000/- each		7.50		7.50

₹ in lakhs

Particulars	As at 31-March-2017	As at 31-March-2016
viii) Investment in Mutual Funds:		
54001.28 Franklin India - Balanced Fund (Growth)	8.43	8.43
@ 15.62 each (Total Market Value of Shares, Debentures, Trustee Securities & Mutual Funds ₹ 376.93 lakhs) (Previous Year ₹ 291.79 lakhs)		
Sub Total	<u>2824.72</u>	<u>2828.34</u>
Less: Demerit in the value of Investment	215.55	215.55
TOTAL	<u>2609.17</u>	<u>2612.79</u>
Note No. 5 (c)		
LONG TERM LOANS & ADVANCES		
i) Other Loans and Advances		
CONSIDERED GOOD :		
Advances - Property Purchase	67.91	67.91
Unsecured :		
Demand Loans	862.51	1069.90
Recovery under Chit Scheme	18.91	18.91
Bills Discounted	105.20	119.90
Other Advance	0.56	0.56
TOTAL	<u>1055.09</u>	<u>1277.18</u>
Note No. 5 (d)		
OTHER NON CURRENT ASSETS		
Term Deposits with banks with maturity period beyond 12 months (Given as security for Bank Guarantee in favour of Sales Tax Authorities.)	<u>0.00</u>	<u>2.20</u>
2. CURRENT ASSETS		
Note No. 6 (a)		
TRADE RECEIVABLES		
Unsecured and Considered Good :		
- Due for more than 6 months		
Motor Vehicles/Machineries given on Hire Purchase contract [at agreement value less amount received, unexpired & unearned Finance Charges and Insurance & Taxes for the future period]	314.86	391.42
Commission and Rent Receivable		
- Due for more than 6 months	84.58	145.02
- Less than 6 months	9.61	6.98
TOTAL	<u>409.05</u>	<u>543.42</u>
Note No. 6 (b)		
CASH AND CASH EQUIVALENTS		
Balances with Banks		
With Scheduled Banks in Current accounts	308.43	59.51
With Scheduled Banks in Deposit accounts	0.00	285.00

Particular	As at 31-March-2017	As at 31-March-2016
Cash in hand	2.22	3.14
Stamps in hand	0.27	0.41
Stock of Stationery on hand at cost	0.51	0.58
TOTAL	311.43	348.64
Note No. 6 (c)		
SHORT TERM LOANS AND ADVANCE		
Secured :		
Demand Loans	265.87	314.87
Staff Demand Loan	1.15	1.97
Advance Income-Tax and TDS - Net of Provision	327.80	326.38
Advance Fringe Benefit Tax - Net of Provision	0.50	0.50
Other Deposits	16.35	22.14
Unsecured :		
Business Imprest Advance	0.01	0.01
	611.68	665.87
Note No. 6 (d)		
OTHER CURRENT ASSETS		
Interest accrued on Investments	0.00	10.01
Other Receivables.	307.53	308.07
TOTAL	307.53	318.08
Note No. 7		
REVENUE FROM OPERATIONS		
Income from Hire Purchase, Lease, Loans & Advances	33.49	29.54
Lodging Business	12.60	10.50
[Tax Deducted at Source ₹1,26,000/-] (Previous Year ₹ 1,05,000-)]		
TOTAL	46.09	40.04
Note No. 8		
OTHER INCOME		
Int. Received on Bank Deposit	27.70	64.83
[Tax Deducted at Source ₹ 2,77,430/-] (Previous Year ₹ 6,47,887)]		
Other Interest Earned	0.63	1.17
(Tds on Electricity Deposit Rs. Nil) (Previous Year ₹ 663/-)]		
Miscellaneous Receipts	12.27	2.71
Service Charges	0.89	1.27
(Tax Deducted at Source ₹ 4,710/-) (Previous Year ₹ 14,260/-)]		
Income from House Property	8.97	4.90



₹ in lakhs

Particular	As at 31-March-2017	As at 31-March-2016
Dividend Income :		
Long Term:	7.33	1.83
Income from Profession	0.00	1.54
[Tax Deducted at Source -Nil-] (Previous Year ₹15,375/-)]		
Profit/loss on Sale of Assets	6.42	-0.06
Sale of scrap papers	0.05	0.16
Profit/loss on Sale of Investment	25.00	0.00
TOTAL	89.26	78.35
EXPENSES		
Note No. 9 (a)		
EMPLOYEE BENEFITS EXPENSE		
Salaries & Bonus	57.70	61.63
Contribution to P F and other Funds	6.00	6.03
Gratuity	1.11	0.13
LC Premium & Service Tax on Gratuity	0.04	0.05
Staff Welfare Cost :		
- Staff Welfare Expenses	1.61	1.60
- Group Insurance Paid	1.28	0.79
- Staff Medical Expenses	1.31	1.54
	4.20	3.93
TOTAL	69.05	71.77
Note No. 9 (b)		
FINANCE COST		
Deposit Interest cost	158.55	214.95
Note No. 9 (c)		
Depreciation and Amortisation Expenses	2.89	3.61
Note No. 9 (d)		
Other Expenses		
Printing and Stationery	1.15	1.88
Postage and Telephones	3.55	5.16
Computers and other Advisory Services	10.37	7.48
Directors - Sitting Fees	0.24	0.36
Directors - Travelling	0.02	0.06
Filing Fees	0.17	0.19
General Charges	14.24	11.60
Fire and other Insurance Premium	0.26	0.29
Newspapers, Books & Periodicals	0.15	0.15



Particular	As at 31-March-2017		As at 31-March-2016	
Remuneration to Auditors :				
- Statutory Audit Fees	1.80		1.80	
- Certification Charges	0.40		0.40	
- Out of Pocket Expenses	0.38	2.58	0.35	2.55
Rent		8.28		7.08
Taxes and Licence		1.56		1.61
Luxury Tax		0.00		0.48
Service Tax		3.21		2.82
Value Added Tax Paid		0.03		0.04
Travelling Expenditure		2.29		2.69
Legal Expenses		8.37		10.18
Advertisement Charges		1.13		2.70
Bank Charges		0.20		0.35
Electricity Charges		1.58		1.58
Repairs to Buildings		4.07		11.20
Other Repairs & Maintenance		0.89		1.05
Vehicle Maintenance		1.05		1.28
TOTAL		65.39		72.78
Note No. 10				
Exceptional items				
Impairment Loss		0.43		0.26
(i) Exceptional Expenses:				
Bad Debts Written off		295.64		653.87
		296.07		654.13
Less:				
(ii) Exceptional Income:				
Bad Debts Recovered		76.79		130.98
TOTAL		219.28		523.15

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

Note No. 11

Extraordinary items

Interest Remission from Bonds/Deposits

340.84

744.48

The company has discontinued hire purchase and Leasing Busines and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year varies from year to year. Interest accrued on deposits and bonds up to 31-3-2002 on full and final settlement during the year and interest @ 6% p.a. on delay in payment of installments as per 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 is recognized under extraordinary item.

NOTE NO 12.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017:

SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate Information:

Maha Rashtra Apex Corporation Ltd., is a public limited company domiciled in India registered under the provision of Companies Act 1913. The main object of the company is to carry on the business of hire purchase and leasing. Presently the company has discontinued the operation and concentrated the recovery of Hire purchase and Leasing business. The registered office of the company is situated at Bangalore, Karnataka, India. The company has listed in BSE & NSE stock exchanges.

1.1. Basis of preparation of accounts

These Financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India, including the mandatory Accounting standards as prescribed under section 133 of the companies Act, read with rule 7 of the Companies (Accounts) rules 2014, the provisions of the Act (to the extent notified) under the relevant Provisions of the Companies Act 2013. These Financial Statements are prepared under historical cost convention on accrual basis except in respect of revenue from hire purchase and leasing and finance activities.

2. Significant Accounting Policies

2.1. Use of estimates

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

2.2. Fixed Assets:

i) Owned Assets (Tangible)

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

ii) Leased Assets:

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

2.3. Depreciation and amortization:

Depreciation on fixed assets is charged in the accounts based on useful life of the assets as prescribed in schedule II of the companies Act 2013. On assets under operating lease where Lease period has expired no depreciation is charged in the accounts on these assets.

2.4. Impairment:

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

2.5. Investments:

Non-Current Investments are carried at cost. Provision for Diminution in the value of these



investments other than temporary in nature is reduced from the value of Long term Investments.

2.6. Current Assets:

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

2.7. Revenue Recognition:

Income from Suit-filed Accounts and Non-Performing Assets, Overdue Compensation, Interest on Debentures are recognized on receipt basis. Company has not followed prudential norms for income recognition as prescribed by Reserve Bank of India for Non-Banking Financial Companies. Lease equalization is computed in accordance with Guidance note on Accounting for leases issued by ICAI. The company has not entered into any new lease transactions after the effective date of Guidance note on Accounting for leases.

Other revenues are recognized based on the nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

Interest accrued on deposits and bonds up to 31-3-2002 on full and final settlement during the year is recognized under interest remission in Profit and Loss statement.

Dividend income is recognized in the year in which the right to receive is established.

2.8. Employee Benefits:

Short-Term Employee Benefits:

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

Post Employment Benefits:

Defined Contribution Plan:

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

Defined Benefit Plans:

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

Other Long Term Benefits:

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

2.9. Borrowing Costs:

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

2.10. Taxes on Income:

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

Deferred Tax are not recognized in the absence of reasonable certainty that sufficient future



taxable income will be available against which such deferred tax assets can be realized.

2.11. Provisions, Contingent Liability and contingent Asset:

Provision is recognized in the accounts when there is a present obligation as a results of past events and it is Probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made. Contingent Liabilities if any are disclosed by way of Notes on Accounts. (Refer Other Disclosure 3.13 below)

3. NOTES TO ACCOUNTS:

3.1. Scheme of Compromise and Arrangement:

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

- a) No interest shall accrue or be payable on the bonds/deposits maturing on or after 1st April, 2002 and remaining unpaid/outstanding as on 31.3.2002
- b) Bonds/deposits matured prior to 31st March, 2002 and remaining unclaimed shall be repaid with interest upto the date of maturity and Bonds/deposits accepted/renewed in between 1st April, 2002 and 15th April, 2002 shall be repaid without any interest, on receipt of the claim from the holders thereof.
- c) Any loans/advances granted to any bond/deposit holders shall be set off/adjusted against the deposits/ bonds and the outstanding debts payable by the Company shall be reduced accordingly .
- d) All deposits and bonds of the face value of ₹5,000/- and less shall be paid within six months from the date of order in one installment with interest accrued upto 31st March, 2002
- e) Deposits/ bondholders receiving interest at monthly/quarterly rests shall be paid the face value in 20 equal quarterly installments.
- f) Outstanding deposits/bonds other than those stated in para d & e above shall be paid as follows:
 - i) 15% of the face value on or before the expiry of 6th month of the Effective date
 - ii) 20% of the face value on or before the expiry of the 18th month of the Effective date
 - iii) 25% of the face value on or before the expiry of the 30th month of the Effective date
 - iv) 20% of the face value on or before the expiry of the 42nd month of the Effective date
 - v) Balance 20% of the face value and interest payable upto 31st March 2002 on or before the expiry of the 54th month of the Effective date against the surrender of the bond/deposit certificates.
- g) For delay in payment of installments interest shall be paid @ 6% p.a.
- h) Upon the Scheme becoming effective, all Trust Deeds executed between the Company and Trustees for Bond holders shall be and deemed to be cancelled.
- i) 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.
- j) The Company shall not carry on the business as a non-banking financial company without the prior permission of the RBI.



- 3.2 All the Installments as per the scheme in respect of Note 1 (e) and Note 1 (f) have fallen due on 15th Sept., 2009 and 15th June, 2009 respectively. The shortfall in repayment as per the scheme up-to 31st March, 2017 amounts to ₹ 4222.85 lakhs, (Up to Previous year ₹4649.61 lakhs.)
- 3.3. There are no deposits/ Bonds remain unclaimed by the depositors/ bond holders and unpaid for a period of 7 years during the year ended 31.03.2017. The transfer of these deposits to Investor Protection Fund does not arise in view of the entire deposit liability being covered under the scheme of arrangement.
- 3.4. The Property at Jai Bharath Industrial Estate, Jalahalli Camp Road, Yashanthpur Bangalore was let out to Kurlon Ltd. This property was auctioned by the Karnataka High court on 20/04/2012. M/s Kurlon Ltd. was the highest bidder and the Court permitted them to pay the auction price in installments. Vide letter dated 5/4/2013 M/s Kurlon Ltd. requested the company for waiver of rent from 1/4/2013 in view of substantial payment of purchase price for which the company agreed. Confirmation of sale is pending before honorable High Court of Karnataka.
- 3.5. 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 the management is of the view that the company will be able to recover the dues from most of the borrowers/ debtors and monitor effectively the deficit in operations.
- 3.6. The company has not made the provisions as required under the RBI Prudential Norms after 1st April, 2000. When compared to the previous year, the reduction in total provision required at the end of the year is:

	₹in lakhs
Short Provision as on 31-03-2016	... ₹1868.99
Provision for Non-Performing Assets	... (-) 339.32
Provision for Diminution in the value of Investments	... Nil
De-recognition of Income on Non-Performing Assets	... (-) 74.48
Total Short Provision as on 31-03-2017	... ₹1455.19

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

Investment includes Land acquired in satisfaction of debt of ₹ 56.22 lakhs. (previous year ₹ 9.83 lakhs).

Investments include;

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

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

- 3.8. **Depreciation on Fixed Asset**

Company has applied the estimated useful lives as specified in schedule II of companies act 2013. Depreciation is Charged in the accounts as under :

Sl No.	Nature of Assets	Method of Depreciation
1	Building Prior to 1/4/1991 Building After 1/4/1991	WDV SLM
2	Computers	SLM
3	Furniture and Fittings	SLM
4	Plant and Machinery	SLM
5	Vehicles	SLM

3.9. Impairment of Assets

As per estimation of management impairment losses on fixed asset were recognized in the current year which is charged to the Profit and loss account under exceptional items in respect of owned Asset ₹ 0.43 lakhs

3.10. Current Assets and Loans & Advances :

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

a) Loans and Advance include;

(i) Due from the Officers of the Company ₹ 0.57 lakhs (P.Y. ₹ 1.32 lakhs),

3.11. Current Liability

Other Current Liabilities includes ₹ 508.68 lakhs, (P.Y ₹ 415.19 lakhs) being un-en-cashed DD/multi-city cheques issued for repayment of deposits/bonds in terms of the scheme.

3.12.. Disclosures of Related Party Transaction:

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

i) Subsidiary:

- Maharashtra Apex Asset Management Co. Ltd .
- Crimson Estates & Properties Pvt. Ltd.
- Eldorado Investments Co. Pvt. Ltd.

ii) Associates

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

₹ in lakhs

Nature of Transactions		Subsidiary company		Associate Company		Transaction with Key management personnel		Other Related Parties		Total	
		Transaction Value	Outstanding Balance	Transaction Value	Outstanding Balance	Transaction Value	Outstanding Balance	Transaction Value	Outstanding Balance	Transaction Value	Outstanding Balance
Loans and Advance given and Recovered	2017	3.93	(214.13)	(76.39)	594.86	Nil	Nil	(0.01)	288.98	(72.47)	669.71
	2016	(13.33)	(218.06)	(0.09)	671.25	Nil	Nil	(5.69)	288.99	(19.11)	742.18
Advance Received for Purchase of Property.	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2077.24	Nil	2077.24
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	2077.24	Nil	2077.24
Other Income	2017	Nil	Nil	0.03	Nil	Nil	Nil	Nil	Nil	0.03	Nil
	2016	Nil	Nil	0.03	Nil	Nil	Nil	Nil	Nil	0.03	Nil
Remuneration to Whole time director	2017	Nil	Nil	Nil	Nil	4.06	0.46	Nil	Nil	4.06	0.46
	2016	Nil	Nil	Nil	Nil	3.45	0.48	Nil	Nil	3.45	0.48
Expenses	2017	Nil	Nil	0.10	Nil	Nil	Nil	Nil	Nil	0.10	Nil
	2016	Nil	Nil	0.09	Nil	Nil	Nil	Nil	Nil	0.09	Nil



Related Party Transactions Details:

1. Loans and Advance given and Recovered :

(Amount in Lakhs)

Name of the party	Transaction Value – During the Year		Outstanding Value –Closing value	
	2017	2016	2017	2016
CCI Ltd	Nil	Nil	288.37	288.37
CCI Ltd – Sundry	(0.01)	(5.69)	0.05	0.06
Maharashtra Apex Asset Management Company Ltd.,	0.52	0.04	(120.11)	(120.63)
Crimson Estate & Properties Pvt. Ltd.	2.91	(11.67)	(63.42)	(66.33)
Eldorado Investment Co. Pvt. Ltd.	0.50	(1.70)	(30.60)	(31.10)
Mangala Investment Ltd.	(0.10)	(0.09)	61.29	61.29
Dagny Investment Pvt. Ltd.	Nil	Nil	0.56	0.56
Manipal Springs Ltd.,	(76.29)	Nil	533.67	609.96

2. Advance Received for Purchase of Property.

Name of the party	Transaction Value		Outstanding Value	
	2017	2016	2017	2016
Kurlon Ltd.	Nil	Nil	2077.24	2077.24

3. Other income

Name of the party	Transaction Value		Outstanding Value	
	2017	2016	2017	2016
Mangala Investment Ltd.	0.02	0.02	Nil	Nil
Rajmahal Hotels Ltd.,	0.01	0.01	Nil	Nil

4. Remuneration to Whole Ttime Director

Name of the party	Transaction Value		Outstanding Value	
	2017	2016	2017	2016
Sri S.R Gowda	4.06	3.45	0.46	0.48

In accordance with the provision of schedule - V of Companies Act - 2013

5. Expenses

Name of the party	Transaction Value		Outstanding Value	
	2017	2016	2017	2016
Mangala Investment Ltd.	0.10	0.09	Nil	Nil

3.13 Contingent Liabilities

- Suits against the Company for damages not acknowledged as debt ₹ 0.28 lakhs.
- No Provision is made in the books for disputed Income Tax Liability for the Assessment years 1998-99, 1999-2000 and 2000-01 aggregating ₹ 264.82 lakhs as the appeals filed by the company are pending disposal before the CIT(A). The disputed tax has been adjusted by the Department out of refund due. The company is of view that No provision is considered



necessary in view of the appeals are pending before are Higher Appellate authorities and confident of winning the appeals successfully in favour of the company. From the Income tax returns filed by the company for the past years Tax deducted at source is due for refund to the company by Income tax department the company is making efforts to get the refund.

- c) No provision is made in the books of account for disputed Sales tax liability amounting to ₹17.54 lakhs for the Assessment years 1995-96 to 1996-97 as the appeals filed by the company are pending disposal.
- d) Arrears of Cumulative Fixed Dividend from 31.03.2001 to maturity date for redemption amounts to ₹17.14 lakhs.

3.14. Employee Benefits: AS 15v

a) Overview of Employees Benefits:

The compensation to employees for services rendered are as follows:

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

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

b) Recognition and Measurement:

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

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

- I) Defined Benefit Schemes :

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

Particulars	As at 31.03.17	As at 31.03.16
Discount rate	8.00%	8.00%
Salary escalation	3.50%	3.50%

2. Changes in Present Value of Obligation:
in ₹

Particulars	As on 31/03/2017	As on 31/03/2016
Present Value of Obligation at the beginning of the year	17,81,296	17,43,515
Interest Cost	1,42,504	1,39,481
Current Service Costs	80,775	81,709
Benefits paid	(2,19,248)	(2,20,256)
Actuarial (gain)/loss on obligations	1,01,681	36,847
Present Value of the Obligation as at the end of the year	18,87,008	17,81,296

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

Particulars	As on 31/03/2017	As on 31/03/2016
Fair value of the plan assets at the beginning of the year	33,64,550	32,18,100
Expected Return on Plan Assets	2,65,627	2,71,257
Contribution	21,271	95,449
Benefits Paid	(2,19,248)	(2,20,256)
Actuarial gain/(loss) on Plan Assets	Nil	Nil
Fair Value of the plan assets at the end of the year	34,32,200	33,64,550

4. Fair value of Plan Assets:
in ₹

Particulars	As on 31/03/2017	As on 31/03/2016
Fair value of Plan Assets at the beginning of Year	33,64,550	32,18,100
Actual Return on Plan Assets	2,65,627	2,71,257
Contributions	21,271	95,449
Benefits Paid	(2,19,248)	(2,20,256)
Fair Value of Plan Assets at the end of the year	34,32,200	33,64,550
Funded Status	15,45,192	15,83,254

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

Particulars	As on 31/03/2017	As on 31/03/2016
Actuarial (gain)/loss on obligations	(1,01,681)	(36,847)
Actuarial (gain)/loss for the year - plan assets	Nil	Nil
Actuarial (gain)/loss on obligations	(1,01,681)	36,847
Actuarial (gain)/loss recognized in the year	(1,01,681)	36,847

6. Amounts to be recognized in Balance Sheet:

in ₹

Particulars	As on 31/03/2017	As on 31.03.2016
Present Value of Obligation as at end of the year	18,87,008	17,81,296
Fair Value of Plan Assets as at the end of the year	34,32,200	33,64,550
Funded Status	15,45,192	15,83,254
Net Assets / (Liability) Recognized in Balance Sheet	15,45,192	15,83,254

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

in ₹

Particulars	As on 31.03.2017	As on 31.03.2016
Current Service Costs	80,775	81,709
Interest Costs	1,42,504	1,39,481
Expected return on plan assets	(2,65,627)	(2,71,257)
Net Actuarial (gain)/Loss recognized in the year	1,01,681	36,847
Expenses recognized in P & L A/c	59,333	(13,220)

The above figures are furnished by LIC of India for the purpose of disclosure under AS 15 (R)

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

ii. Leave encashment

in ₹

Assumptions	
Interest Rate	6.72%
Discount Rate	6.72%
Estimated rate of return on Plan Asset	0.00%
Salary Increase	6.00%
Attrition Rate	5.00%
Retirement Age	58
Total Number of Employees	33
Total Monthly relevant salary for Leave encashment	3,46,666
Average monthly salary	10,505
Total CTC	4,49,526
Average Age	51.79
Total Leave (Earned)	2879
Average Past Service	17.88
Term of Liability	6.38

Leave encashment benefit expensed in the statement of Profit and Loss for the year is ₹.2,68,557 and Liability as at the year end aggregates to ₹.11,08,904/-

The discount rate is based on the prevailing market yields of government of India securities as at Balance sheet date for the estimated terms of obligations.

3.15. Deferred Tax :

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

3.16. Segment Reporting:

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

3.17. Preference share Not redeemed

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

3.18. Details of Specified Bank Notes Held:

Details of Specified Bank Notes (SBN) held and transacted during the period November 8,2016 to December 30,2016 as provided in the table given below:

(₹ in Lakhs)

Particulars	SBNs	Other denomination Notes	Total
Closing cash in Hand on 8.11.2016	1,45,500.00	25,035.22	1,70,535.22
(+) Permitted Receipts	—	20,39,823.00	20,39,823.00
(+) Non Permitted Receipt	1,500.00	—	1,500.00
(-) Paid for permitted transaction		18,90,439.58	18,90,439.58
(-) Deposited in Bank	1,47,000.00	—	1,47,000.00
Closing Cash Held on 30.12.2016		1,74,418.64	1,74,418.64

3.19. Earnings Per Share

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

(₹ in Lakhs)

Particulars	2017	2016
Profit after Tax as per accounts (₹ in lakhs)	(38.97)	(23.39)
Weighted average number of shares outstanding	14150100	14150100
Basic EPS	₹ (0.28)	₹ (0.17)
Profit after Tax as per accounts (₹ in lakhs)	(38.97)	(23.39)
Weighted average number of shares outstanding	14150100	14150100
Diluted EPS	₹ (0.28)	₹ (0.17)
Face Value per share	₹10.00	₹ 10.00



3.20 There are no dues to Micro, Small and Medium Enterprises as of 31.03.2017.

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

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

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

S S Kamath
Director
DIN: 01039656

Jyothi V B
Director
DIN: 07133349

J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205

Manipal
May 26, 2017

Manipal
May 26, 2017



CASH FLOW STATEMENT FOR THE YEAR ENDING 31st March 2017		₹ in lakhs
	Current Year 31-March-2017	Previous Year 31-March-2016
A. Cash flow from Operating Activities :		
Profit/(Loss) before Tax	(38.97)	(23.39)
Adjustments for :		
Depreciation	2.89	3.61
Call Money Received	0.04	0.00
Share Premium Received	0.04	0.00
Interest on Investments	(28.33)	(66.00)
Dividend Income	(7.33)	(1.82)
Profit on Sale of Assets	(6.42)	0.06
Operating Profit Before Working Capital Changes	<u>(78.08)</u>	<u>(87.54)</u>
(Increase)/Decrease in Trade Receivables	134.37	263.82
(Increase)/Decrease in Long Term Loans and Advances	222.09	205.02
(Increase)/Decrease in Short Term Loans and Advances	54.19	75.46
Increase/ (Decrease) in Other Long Term Liabilities	(11.68)	13.34
Increase/ (Decrease) in Trade Payable	(10.52)	0.66
Increase/ (Decrease) in Other Current Liability	92.23	(41.47)
Increase/ (Decrease) in Other Non Current Assets	2.20	0.00
Increase/(Decrease) in Short Term Borrowings	0.00	(867.83)
Cash Generated from Operations	404.80	(438.54)
Net cash from Operating Activities	<u>404.80</u>	<u>(438.54)</u>
B. Cash flow from Investing Activities		
Purchase/Sale of Fixed Assets and Adjustments	6.55	0.04
Purchase/Sale Proceeds of Investments (Net)	3.61	(14.33)
Dividend Income	7.33	1.83
Interest Received/ other Receivables	38.88	382.57
Net Cash from Investing Activities	<u>56.37</u>	<u>370.11</u>
C. Cash Flow from Financing Activities		
Outstanding Deposits Paid off	(498.38)	(1105.54)
Net Cash From Financing Activities	<u>(498.38)</u>	<u>(1105.54)</u>
Net Increase/(Decrease) in Cash and Equivalents (A+B+C)	<u>(37.21)</u>	<u>(1173.97)</u>
Opening Balance of Cash and Equivalents	<u>348.64</u>	<u>1,522.61</u>
Closing Balance of Cash and Equivalents	<u>311.43</u>	<u>348.64</u>

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

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

S S Kamath
Director
DIN: 01039656
Manipal
May 26, 2017

Jyothi V B
Director
DIN: 07133349

J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205
Manipal
May 26, 2017

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

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

₹ in lakhs)

Liabilities side:	Particulars	Amount Outstanding	Amount Over dues
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) Debentures	4655.96	4655.96
	: Secured		
	: Unsecured (other than falling within the meaning of public deposits*)	....	....
	(b) Deferred Credits	....	....
	(c) Term Loans	....	....
	(d) Inter-corporate loans and borrowing	....	....
	(e) Commercial Paper	....	....
	(f) Public Deposits*	1937.86	1937.86
	(g) Other Loans (specify nature)	....	....
	*Please see Note 1 below		
(2)	Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	....	....
	(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	....	....
	(c) Other public deposits	....	....
	*Please see Note 1 below		
Assets Side:		Amount outstanding	
(3)	Break-up of Loans and Advances including bills receivables [other than those included in(4) below]:		
	(a) Secured		267.02
	(b) Unsecured		967.71
(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		60.33
	(b) Operating Lease		....



Assets Side:

Amount outstanding

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

(a) Assets on hire	314.86
(b) Repossessed Assets	0.00

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

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

(5) Break-up Investments:

Current Investments:

1. Quoted:

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

2. Unquoted:

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

Long term investments:

1. Quoted:

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

2. Unquoted

(i) Shares :	(a) Equity	1956.29
	(b) Preference	0.00
(ii) Debentures and Bonds		7.50
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others (please specify)		768.44

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

₹ in lakhs

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	134.09	0.00	134.09
Total	134.09	0.00	134.09

 (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	768.44	382.75
(b) Companies in the same group	....	....
(c) Other related parties	1852.25	1816.59
2. Other than related parties	204.04	94.18
Total	2824.73	2293.52

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

(8) Other information:

Particulars	Amount
(i) Gross Non-performing Assets	
(a) Related parties	594.86
(b) Other than related parties	1409.46
(ii) Net Non-performing Assets	
(a) Related parties	....
(b) Other than related parties	306.86
(iii) Assets acquired in satisfaction of debt	56.21

Notes:

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHA RASHTRA APEX CORPORATION LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MAHA RASHTRA APEX CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

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

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

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2017 and their consolidated Profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

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

Other Matters

- (a) We did not audit the financial statements of Three subsidiaries, whose financial statements reflect total assets of Rs.688.83 Lakhs as at 31st March, 2017, total revenues of Rs.178.22 Lakhs and net cash flows amounting to Rs.(8.24) Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are audited have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and, except for the possible effect of the matter described in sub-paragraph (a) and (b) of the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph and emphasis paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph and emphasis paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matters described in the Basis for Qualified Opinion paragraph and emphasis Paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company except one director of the Group's subsidiary companies, incorporated in India who is disqualified from being appointed as a director in terms of Section 164(2) of the Act,



- (g) with respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in the annexure A
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. Except for the possible effect of the matter described in sub-paragraph (b) of the Basis of Qualified Opinion and Emphasis matters above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates – Refer Note B(5) to the consolidated financial statements.
 - ii. As the entire deposit liability is covered under the scheme of arrangement transfer of unclaimed deposit and remaining unpaid for a period of exceeding 7 years to Investor Education and Protection Fund, the question of delay in transferring such sums does not arise
 - iii. *Company has not carried out internal audit as required in section 138 of companies Act 2013.*
 - iv. *The company has provided requisite disclosures in the financial statements as to holdings as well as dealings in specified Bank notes during the period from 8th November 2016 to 30th December 2016. However, as stated in note B(7) to the consolidated financial statements amounts aggregating to Rs. 1500/- as represented to us by the management have been utilized for other than Permitted Transactions.*

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

Place : Manipal.
Date : 26/05/2017

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

Annexure A to the Independent auditors report - 31 MARCH 2017

In conjunction with our audit of consolidated financial statements of the company as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting of **MAHA RASHTRA APEX CORPORATION LIMITED.**, as of that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Controls over financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on audit of Internal financial controls over financial reporting (the 'Guidance Note') issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning Of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the Inherent limitation of Internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods be detected. Also, projections of any evaluation of the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In Our opinion, the Holding Company has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal Control over financial reporting criteria established by the Holding Company considering the essential components of Internal controls stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

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

Place : Manipal
Date : 26/05/2017

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



₹. in lakhs

CONSOLIDATED BALANCE SHEET AS ON 31st MARCH 2017			
Particulars	Note No.	Current Year 31-March-2017	Previous Year 31-March-2016
I. EQUITY AND LIABILITIES			
1. Shareholders Funds			
a) Share Capital	1	1442.78	1442.74
b) Reserves & Surplus	2	(8578.28)	(8674.89)
c) Minority Interest		1.01	1.00
2. Non-Current Liabilities			
a) Long Term Borrowings	3(a)	15.76	15.76
b) Deferred Tax Liabilities(Net)	3(b)	0.00	0.00
c) Other Long Term Liabilities	3(c)	438.78	446.53
d) Long-Term Provisions	3(d)	1262.28	1262.28
3. Current Liabilities			
a) Trade Payables	4(a)	1.76	13.89
b) Other Current Liabilities	4(b)	11005.65	11464.02
c) Short Term Provisions	4(c)	16.30	14.80
TOTAL		5606.04	5986.13
ASSETS			
II. Non Current Assets			
1. Fixed Assets			
(i) Tangible Assets	5(a)	123.52	194.61
(ii) Intangible Assets		491.32	491.32
(b) Non Current Investments	5(b)	2032.29	1889.71
(c) Long Term Loans & Advances	5(c)	1077.56	1296.28
(d) Other Non Current Assets	5(d)	0.00	2.20
2. Current Assets			
(a) Inventories	6(a)	13.31	13.31
(b) Trade Receivables	6(b)	418.61	543.42
(c) Cash and Cash Equivalents	6(c)	341.17	386.62
(d) Short Term Loans and Advances	6(d)	800.73	849.52
(e) Other Current Assets	6(e)	307.53	319.14
TOTAL		5606.04	5986.13
Significant Accounting Policies and Notes to Accounts	12		

The Notes are an integral part of these financial statements.

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

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

S S Kamath
Director
DIN: 01039656
Manipal
May 26, 2017

Jyothi V B
Director
DIN: 07133349

J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205

Manipal
May 26, 2017



₹ in lakhs

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2017				
	Particulars	Note No.	Current Year 31-March-2017	Previous Year 31-March-2016
I.	Revenue from Operations	7	54.51	55.05
II.	Other Income	8	259.06	96.17
III.	Total Revenue (I+II)		313.57	151.22
IV.	Expenses:			
	Employee Benefits Expense	9(a)	69.04	71.77
	Finance Cost	9(b)	158.55	214.95
	Depreciation and amortisation expense	9(c)	2.89	5.57
	Other expenses	9(d)	163.95	185.15
	Total Expenses		394.43	477.44
V.	Profit before exceptional and extraordinary items and tax (III-IV)		(80.86)	(326.22)
VI.	Exceptional Items —	10	(155.01)	(422.37)
VII.	Profit before extraordinary items and tax (V-VI)		(235.87)	(748.59)
VIII.	Extraordinary Items	11	340.83	744.48
	Profit before Tax (VII+VIII)		104.96	(4.11)
IX.	Tax Expense			
	(1) Current Tax		(16.00)	(2.80)
	(2) Deferred Tax		(0.00)	0.00
	(3) Excess Provision for IT		7.61	(0.68)
X.	Profit (Loss) for the period from continuing operations		96.57	(7.59)
XI.	Profit/(Loss) from discontinuing operations		0.00	0.00
XII.	Tax expense of discontinuing operations		0.00	0.00
XIII.	Profit/(Loss) from discontinuing operations (after tax)		0.00	0.00
XIV	Profit (Loss) for the period		96.57	(7.59)
	Minority interest		(0.00)	(0.00)
	Profit (Loss) for the period		96.57	(7.59)
XV.	Earnings per equity share:			
	(1) Basic		0.68	(0.05)
	(2) Diluted		0.68	(0.05)
	Significant Accounting Policies and Notes to Accounts	12		

The Notes are an integral part of these financial statements

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

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
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Manipal
May 26, 2017

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J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205
Manipal
May 26, 2017



₹ in lakhs

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS ON 31 st MARCH 2017				
Particulars	Current Year 31-March-2017		Previous Year 31-March -2016	
	EQUITY AND LIABILITIES			
SHARE HOLDERS FUNDS				
Note No.1				
SHARE CAPITAL				
Authorised				
20000000 Equity Shares of ₹10/- each	2000.00		2000.00	
20000000 Redeemable Cumulative Preference Shares of ₹10/- each (P.Y.2,00,00,00,000 Equity Shares of ₹10/- each & 2,00,00,00,000 Redeemable Cumulative Preference Shares of ₹10/- each)	<u>2000.00</u>	4000.00	<u>2000.00</u>	4000.00
Issued :				
14150100 Equity Shares of ₹ 10/- each	1415.01		1415.01	
1763500 17.50% Redeemable Cumulative Preference shares of ₹ 10/- each	176.35		176.35	
6236500 14% Redeemable Cumulative Preference Shares of ₹ 10/- each	<u>623.65</u>	2215.01	<u>623.65</u>	2215.01
Subscribed and Fully Paid-up :				
14150100 Equity Shares of ₹ 10// each fully Called-Up (P.Y.14150100 Equity Shares of ₹ 10/- each fully Called-Up)	1415.01		1415.01	
Less: Calls Unpaid:				
Directors /Officers	Nil		Nil	
Others	3.85	1411.16	3.89	1411.12
316200 14% Redeemable Cumulative Preference shares of ₹10/- each		31.62		31.62
TOTAL		1442.78		1442.74

- (i) 11667 Equity Shares of ₹ 10/- each were allotted as fully paid pursuant to terms of amalgamation without payment being received in cash
(ii) 400000 Equity Shares of ₹ 10/- each allotted as fully paid bonus shares on capitalisation of Reserves
(iii) 408240 Equity Shares of ₹10/- each allotted as fully paid bonus shares on capitalisation of Share Premium account

Particulars	As at 31-March-2017		As at 31-March-2016	
	Number of shares	Amount	Number of shares	Amount
Reconciliation of Number of Shares				
Equity Shares:				
Balance at the Beginning of the year	14150100	1411.16	14150100	1411.12
Add: Shares Issued during the year	Nil	0.00	Nil	0.00
Balance at the end of the year	14150100	1411.16	14150100	1411.12
Preference Shares				
14% Redemable Cumulative Preference Shares:				
Balance at the Beginning of the year	316200	31.62	316200	31.62
Add: Shares Issued during the year	Nil	0.00	Nil	0.00
Balance at the end of the year	316200	31.62	316200	31.62



Rights, Preferences and restrictions attached to shares:

Equity Shares: The equity shares have a par value of ₹10 per share. Each shareholder is eligible for one vote per each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company (after distribution of all preferential amounts including payment to the preference shareholders) in proportion to their shareholding.

Preference Shares:

Redeemable Cumulative Preference Shares shall be redeemable after expiry of 5 years from the date of allotment. The shares are entitled for preferential right over dividend (before the equity share holders) at the rate 14% which is to be proposed by the Board of Directors and subject to approval of shareholders in the ensuing annual general meeting. However, the shares are Cumulative Preference Share and therefore the Shareholders are entitled to carry forward the dividend of a year to the forth coming year/s in case the same is not declared in a year. In the event of liquidation such shareholders are eligible to receive the face value along with cumulative dividend (after distribution of all preferential amount) before the distribution of assets to the equity share holders. In case the assets are not sufficient to cover up the face value, then the same will be distributed in proportion to their shareholding if the surplus available, after distribution of all preferential amount.

List of share holders holding more than 5% of the total number of shares Issued by the company

	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Percentage	Number of shares	Percentage
Equity Shares:				
M/s Manipal Holdings (P) Ltd	2488875	17.59%	2488875	17.59%
Mrs Jaya S Pai	1627365	11.50%	2127365	15.03%
M/s Chitrakala Investment Trade & Business Finance Ltd.	906297	6.40%	906297	6.40%
M/s Metropolis Builders (P) Ltd.	1888364	13.35%	1362743	9.63%
Preference Shares				
General Investment & Commercial Corporation Ltd.	20100	6.36%	20100	6.36%

₹ in lakhs

Particulars	Current Year 31-March-2017		Previous Year 31-March-2016	
Note No. 2				
RESERVES & SURPLUS				
Capital Reserve	78.13		78.13	
Capital Redemption Reserve	176.35		176.35	
[Redemption of 17.5% RCP Shares]				
Securities Premium Reserve	997.53		997.49	
General Reserve	233.32		233.32	
Special Reserve	159.52	1644.85	159.52	1644.81
[Pursuant to RBI (Amendment) Act, 1997]				
Surplus Statement of Profit & Loss				
Profit/Loss from Previous Year	(10319.70)		(10307.61)	
Profit/Loss for the Current Year	96.57		(7.59)	
Adjustment for Intra company profit	0.00	(10223.13)	(4.50)	(10319.70)
TOTAL		(8578.28)		(8674.89)



₹ in lakhs

	Particulars	Current Year 31-March-2017	Previous Year 31-March-2016
2	NON-CURRENT LIABILITIES		
	Note No. 3 (a)		
	Long Term Borrowings		
	Amount due to Body corporate	15.76	15.76
	Note No. 3 (b)		
	Deferred tax Liabilities (Net)	0.00	0.00
	Note No. 3 (c)		
	OTHER LONG TERM LIABILITIES		
	Lease Security Deposits	438.78	446.53
	Note No. 3 (d)		
	LONG TERM PROVISIONS		
	Others		
	For Non-performing Assets	1262.28	1262.28
3.	CURRENT LIABILITIES		
	Note No. 4(a)		
	TRADE PAYABLES		
	H.P and other Creditors	1.76	13.89
	Note No. 4(b)		
	OTHER CURRENT LIABILITIES		
	Secured		
	Unpaid Creditors being outstanding Bonds/Deposits with interest	4146.86	4567.74
	Deposit/Bonds with Interest less than ₹. 5000/-	75.99	81.87
	Delayed period interest on deposit	2370.97	2442.59
	(Secured by first charge on Co's financial assets book debts & receivables)		
	Unsecured:		
	Inter corporate deposit	561.81	561.81
	Rent Security Deposit	8.10	6.60
	TDS Payments 2016-17	0.41	0.37
	Liabilities for Expenses	18.43	21.27
	Advance for Sale of Property	0.00	52.00
	Cheque issued for repayments of deposit/bonds pending realisation	508.68	415.19
	Earning Money Deposit	3300.00	3300.00
	Other Advances	0.44	0.40
	Collection and other Accounts	0.62	0.62
	Other Payable	1.68	1.68
	Expenses Payable	11.66	11.88
	TOTAL	11005.65	11464.02
	Note No. 4 (c)		
	SHORT TERM PROVISIONS		
	Provision for Taxation	16.30	14.80



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

₹ in lakhs

Company Assets	Gross Block (At Cost)						Depreciation				Lease Terminal Adjustment		Net Block	
	As on 01.04.2016	Additions	On Assets Sold	Impairment Loss	As on 31.03.2017	Up to 31.03.2016	For the period	On Assets Sold	Impairment Loss	Up to 31.03.2017	For the year	Previous year	As On 31.03.2017	As On 31.03.2016
Land	37.34	0.00	0.00	0.00	37.34	0.00	0.00	0.00	0.00	0.00	-	-	37.34	37.34
Buildings and Office Premises	254.95	0.00	123.23	0.00	131.72	109.02	1.88	55.15	0.00	55.75	-	-	75.97	145.93
Office Furniture & Eq.	82.08	1.89	3.02	8.20	72.75	72.12	0.77	1.44	7.77	63.68	-	-	9.07	9.96
Motor cars and other Vehicle	6.90	0.00	0.00	0.00	6.90	5.52	0.24	0.00	0.00	5.76	-	-	1.14	1.38
Total	381.27	1.89	126.25	8.20	248.71	186.66	2.89	56.59	7.77	125.19	-	-	123.52	194.61
Leased Assets														
Plant & Machinery	708.63	0.00	121.21	0.00	587.42	708.63	0.00	121.21	0.00	587.42	0.00	0.00	0.00	0.00
Motor vehicles	5.11	0.00	0.00	0.00	5.11	5.11	0.00	0.00	0.00	5.11	-	-	0.00	0.00
Gas Cylinder	3.20	0.00	0.00	0.00	3.20	3.20	0.00	0.00	0.00	3.20	-	-	0.00	0.00
Furniture	15.74	0.00	6.38	0.00	9.36	15.74	0.00	6.38	0.00	9.36	-	-	0.00	0.00
Total	732.68	0.00	127.59	0.00	605.09	732.68	0.00	127.59	0.00	605.09	0.00	0.00	0.00	0.00
Grand Total	1113.95	1.89	253.84	8.20	853.80	919.34	2.89	184.18	7.77	730.28	0.00	0.00	123.52	194.61
(ii) Intangible Assets														
Goodwill on Consolidation	491.32	0.00			491.32	0.00	0.00		0.00	0.00	0.00	0.00	491.32	491.32



₹ in lakhs

Particulars	As at 31-March-2017		As at 31-March-2016		
Note No. 5(b)					
NON CURRENT INVESTMENTS					
i) Investment in Property					
Investment in immovable property/land & building		212.35		28.99	
INVESTMENTS IN EQUITY INSTRUMENTS					
Long term at cost					
ii) Quoted Equity Shares :					
20000 Voltas Limited Shares of ₹ 1/- each		2.92		2.92	
22000 TATA Power Company Limited Shares of ₹ 1/- each		2.62		2.62	
9655 HDFC Bank Shares of ₹2/- each		6.84		6.84	
15000 India Cements Capital & Finance Ltd. Shares of ₹ 10/- each		1.50		1.50	
25000 Parekh Platinum Ltd. Shares of ₹ 10/- each		24.06	37.94	24.06	37.94
iii) Unquoted Equity Shares Others					
16000 I C D S Ltd. shares of ₹ 10/- each		6.59		6.59	
352000 Manipal Motors Pvt. Ltd. shares of ₹ 10/- each		35.27		35.27	
3000 General Investment & Commercial Corporation Ltd. shares of ₹ 10/- each		0.30		0.30	
2000 Shamrao Vithal Co-operative Bank Ltd. shares of ₹ 25/- each		0.50		0.50	
4000 MPL Enterprises Ltd. Shares of ₹ 10/- each		1.65		1.65	
750000 Bhooma Automobiles Ltd. shares of ₹ 10/- each		75.00		75.00	
400000 Canara Steel Ltd. Shares of ₹ 10/- each		40.00	159.31	40.00	159.31
iv) Investment in Associates					
Unquoted Equity Shares					
5693020 Kurlon Limited shares of ₹ 10/- each		1726.06		1726.06	
58990 Manipal Springs Pvt.Ltd. shares of ₹ 100/- each		59.29		59.29	
36368 Rajmahal Hotels Ltd. Shares of ₹10/- each		0.76		0.76	
58436 Mangala Investments Ltd. Shares of ₹10/- each		1.50		1.50	
895000 Manipal Home Finance Ltd. Shares of ₹ 10/- each		89.77	1877.38	139.77	1927.38
v) Investment in Government or Trust Securities					
6 year National Savings Certificate at cost		0.14		0.14	
349608.795 units of UTI - Bluechip Flexicap Fund (Div.) fund of ₹ 10 each		14.41		14.41	
6500 Units of UTI - Mastershare, (Div) of ₹ 10/- each		0.92	15.33	0.92	15.33
vi) Investment in Debentures or Bonds					
Unquoted Debentures					
750 Jay Rapid Roller Limited Debentures of ₹1000/- each		7.50		7.50	



₹ in lakhs

Particulars	As at 31-March-2017	As at 31-March-2016
vii) Investment in Mutual Funds:		
54001.28 Franklin India - Balanced Fund (Growth) @ 15.62 each (Total Market Value of Shares, Debentures, Trustee Securities & Mutual Funds ₹ 376.93 lakhs) (Previous Year ₹ 291.79 lakhs)	8.43	8.43
Sub -Total	2318.38	2185.02
Less: Diminution in the Value of Investment	286.09	295.31
TOTAL	2032.29	1889.71
Note No. 5 (c)		
LONG TERM LOANS & ADVANCES		
Other loans and advances	102.58	102.58
Unsecured :		
Other Loans and advance	0.56	0.56
Demand Loans	862.50	1069.90
Bills Discounted	105.20	119.90
Mat Credit	6.72	3.34
TOTAL	1077.56	1296.28
Note No. 5 (d)		
OTHER NON CURRENT ASSETS		
Term Deposits with banks with maturity period beyond 12 months (Given as security for Bank Guarantee in favour of Sales Tax Authorities.)	0.00	2.20
2. CURRENT ASSETS		
Note No. 6 (a)		
INVENTORIES		
Stock In trade	13.31	13.31
Note No. 6 (b)		
TRADE RECEIVABLES		
Unsecured and Considered Good :		
- Due for more than 6 months	9.56	0.00
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]	314.86	391.42
Commission and Rent Receivable		
- Due for more than 6 months	84.58	145.02
- others less than 6 months	9.61	6.98
TOTAL	418.61	543.42



₹ in lakhs

Particular	As at 31-March-2017	As at 31-March-2016
Note No. 6 (c)		
CASH AND CASH EQUIVALENTS		
Balances with Banks		
With Scheduled Banks in Current accounts	331.64	93.69
With Scheduled Banks in Deposit accounts	6.40	288.26
Cash in hand	2.35	3.69
Stamps in hand	0.27	0.40
Stock of Stationery on hand at cost	0.51	0.58
TOTAL	341.17	386.62
Note No. 6 (d)		
SHORT TERM LOANS AND ADVANCES		
Advance Income Tax and TDS - Net of provision	343.82	345.98
Advance Fringe Benefit tax - Net of provision	0.50	0.50
Secured		
Demand Loans	265.87	314.87
Staff Demand Loans	1.15	1.97
Deposit with others	28.88	34.67
Advance for Property Purchase	135.00	0.00
Other Receivable	25.51	151.53
TOTAL	800.73	849.52
Note No. 6 (e)		
OTHER CURRENT ASSETS		
Interest accrue on investment	0.00	10.01
Other receivable	307.53	308.07
Deferred revenue expenses	0.00	1.06
TOTAL	307.53	319.14
Note No. 7		
REVENUE FROM OPERATIONS		
Income from Hire Purchase, Lease, Loans & Advances	33.49	29.54
Lodging Business	12.60	10.50
Rent Receipts	0.28	5.72
Income from Recovery of Decered Assets	0.00	0.88
Supervision Charges Received	8.14	6.95
Professional Charges Received	0.00	1.46
TOTAL	54.51	55.05



₹ in lakhs

Particulars	As at 31-March-2017	As at 31-March-2016
Note No. 8		
OTHER INCOME		
Int. Received on Bank Deposit	29.49	65.10
Other Interest Earned	0.80	1.70
Miscellaneous Receipts	12.26	3.24
Service Charges	0.89	1.27
Income from House Property	8.97	4.90
Dividend Income :	7.33	1.82
Income from Profession	0.00	1.54
Profit/ Loss on Sale of Asset	6.42	-0.06
Profit/ Loss on Sale of Investment	180.85	4.50
Sale of Scrap Papers	0.05	0.16
Compensation Charges Received	12.00	12.00
TOTAL	259.06	96.17
EXPENSES		
Note No. 9 (a)		
EMPLOYEE BENEFITS EXPENSE		
Salaries & Bonus	57.70	61.63
Contribution to P F and other Funds	6.00	6.03
Gratuity	1.11	0.13
L C Premium & Service Tax on Gratuity	0.04	0.05
Staff Welfare Cost :		
- Staff Welfare Expenses	1.61	1.60
- Group Insurance Paid	1.27	0.79
- Staff Medical Expenses	1.31	1.54
TOTAL	69.04	71.77
Note No. 9 (b)		
FINANCE COST		
Others	158.55	214.95
Note No. 9 (c)		
Depreciation and Amortisation Expenses	2.89	5.57
Note No. 9 (d)		
Other Expenses		
Printing and Stationery	1.15	1.88
Postage and Telephones :	3.55	5.16
Computers and other Advisory Services :	10.37	7.48
Director's Sitting Fees and Travelling Expenses	0.26	0.42
Filing Fees	0.30	0.38
General Charges :	14.24	11.60
Fire and other Insurance Premium	0.26	0.29
Service tax paid	3.21	2.82
Profession tax paid	0.00	0.05
Vat Paid	0.03	0.04
Newspapers, Books & Periodicals	0.15	0.15
Remuneration to Auditors :		
i) for Statutory Audit	3.99	3.99
ii) Company law matters	0.29	0.28
iii) Tax and other matters	1.84	1.64
iv) Out of pocket expenses	0.38	6.26
Rent	8.49	7.29



₹ in lakhs

Particulars	As at 31-March-2017	As at 31-March-2016
Taxes and Licence	2.37	1.99
Luxury Tax	0.00	0.48
Travelling Expenditure :	2.29	2.69
Legal Expenses	12.68	13.31
Advertisement Charges	1.13	2.70
Bank Charges	0.26	0.38
Electricity Charges	1.58	1.59
Repairs to Buildings :	5.78	13.70
Other Repairs & Maintenance	2.04	1.76
Vehicle Maintenance	1.05	1.28
Miscellaneous Expenses	0.79	0.45
Loss on sale of Investment	0.00	96.14
Society Maintenance Charges	1.54	1.56
Compensation Charges Paid	1.34	1.34
Deferred Revenue Expenses amortized	1.06	1.05
Decreed Asset Recovery Expenses	0.31	0.46
Staff Welfare Expenses of subsidiary	0.15	0.45
Sundry Balance Written off	28.87	0.00
Bad Debts written off	52.20	0.00
TOTAL	<u>163.95</u>	<u>185.15</u>
Note No. 10		
Exceptional items		
(i) Exceptional Expenses:		
Impairment Loss	0.43	0.26
Bad Debts Written off	295.63	653.87
Prior Period Expenses	0.10	0.00
	<u>296.16</u>	<u>654.13</u>
Less:		
(ii) Exceptional Income:		
Depreciation Reserve Written Back	55.15	0.00
Bad Debts Recovered	76.79	130.98
Provision for diminution in the value of investments	9.21	100.78
	<u>141.15</u>	<u>231.76</u>
TOTAL	<u>155.01</u>	<u>422.37</u>
<p>The company has discontinued hire purchase and Leasing Business and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year varies from year to year. Therefore Bad Debts recovered and written off are shown under exceptional items.</p>		
Note No. 11		
Extraordinary items		
Interest Remission from Bonds/Deposits	340.83	744.48
<p>The company has discontinued hire purchase and Leasing Business and concentrating mainly on recovery of dues and repayment of debts. The income of the company depends on recoveries made during the year varies from year to year. Interest accrued on deposits and bonds up to 31-3-2002 on full and final settlement during the year and interest @ 6% p.a. on delay in payment of installments as per 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 is recognized under extraordinary item.</p>		



Note - : 12

A) ACCOUNTING POLICY AND NOTES TO FINANCIAL STATEMENT

SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Consolidated Financial Statements:

a) The Subsidiary Companies considered in consolidation are:

Name of the Company	Country of Incorporation	Extent of holding and voting powers on 31.03.2017
ELDORADO INVESTMENTS CO. PVT. LTD.	India	81.00%
MAHARASHTRA APEX ASSET MANAGEMENT CO. LTD.	India	99.99%
CRIMSON ESTATE & PROPERTIES PVT. LTD.	India	99.99%

b) The Financial Statements of Maharashtra Apex Corporation Ltd. and its subsidiaries are used in the consolidation are drawn up-to the same reporting date as that of the Parent Company, i.e., year ended 31st March, 2017.

2. Principles of Consolidation:

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

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

3. Accounting and Income recognition:

- The financial statements are prepared under the historic cost convention in accordance with the generally accepted accounting principles and provisions of the Companies Act, 2013.
- The income from Suit Filed Accounts and Non Performing Assets, Overdue compensation interest on debenture are recognised on receipt basis.
- Other incomes are recognised on the nature of activity when consideration can be reasonably measured and exists reasonable certainty of its recovery.
- Interest accrued on deposits and bonds up to 31-3-2002 on full and final settlement during the year is recognized under interest remission in Profit and Loss statement.

4. Expenses:

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.

5. Fixed Assets:

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

6. Investment:

Investments in respect of Holding company are long-term investments and valued at cost. And The management is of the opinion that the diminution in the value are temporary and the provision already made to recognize the decline is sufficient., In respect of Subsidiaries and associates Investment are valued at cost less diminution in the value of Investment.

7. Depreciation and amortization:

Depreciation on fixed assets is charged in the accounts based on useful life of the assets as prescribed in schedule II of the companies Act 2013. On assets under operating lease were Lease period has expired no depreciation is charged in the accounts on these assets.



8. Taxes on Income:

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

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

9. Impairment of Assets

As per estimation of management impairment losses on fixed asset were recognized in the current year which is charged to the Profit and loss account under exceptional items in respect of owned Asset ₹ 0.43 lakhs.

Current Assets:

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

10. Borrowing Cost:

Cost of borrowings is charged to revenue except interest not accounted as per Note A (4).

11. Retirement Benefits:

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

12. Earning Per Share:

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

13. Provisions and Contingent liabilities:

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

B. NOTES TO ACCOUNTS:

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

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

- 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 ₹. 426.76 lakhs.
- c) All the Installments as per the scheme have fallen due on 15th September 2009 and 15th June 2009 and aggregate short fall in repayment as per the scheme up to 31.03.2017 amounts to ₹. 4222.85 lakhs (Previous Year ₹. 4649.61 lakhs).

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



3. The holding company has not made the provisions as required under the RBI prudential norms after 1st April, 2000 since the management is hopeful of recovery and is of the view that the provisions already made in the books are sufficient to meet the loss.

When compared to the previous year, there is reduction in total provisions at the end of the year as detailed below:

		(₹. in lakhs)
Provision for Non Performing Assets	...	(-339.32)
Provision for Diminution in the value of Investments	...	Nil
De-recognition of Income on Non-Performing Assets	...	(-)74.48
Total Short Provision As on 31-03-2017	...	₹ 1455.19

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

₹ in lakhs

Name of the party	Transaction Value –During the Year		Outstanding Value –Closing value	
	2017	2016	2017	2016
CCI Ltd	Nil	Nil	288.37	288.37
CCI Ltd – Sundry	(0.01)	(5.69)	0.05	0.06
Maharashtra Apex Asset Management Company Ltd.,	0.52	0.04	(120.11)	(120.63)
Crimson Estate & Properties Pvt. Ltd.	2.91	(11.67)	(63.42)	(66.33)
Eldorado Investment Co. Pvt. Ltd.	0.50	(1.70)	(30.60)	(31.10)
Mangala Investment Ltd.	(0.10)	(0.09)	61.19	61.29
Dagny Investment Pvt. Ltd.	Nil	Nil	0.56	0.56
Manipal Springs Ltd.,	(76.29)	Nil	533.67	609.96

5. Contingent Liabilities:

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

6. Deferred Tax

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



7. Details of Specified Bank Notes Held:

Details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 as provided in the table given below:

Particulars	SBNs	Other denomination Notes	Total
Closing cash in Hand on 8.11.2016	1,45,500.00	44,834.22	1,90,334.22
(+) Permitted Receipts	-	20,50,323.00	20,50,323.00
(+) Non Permitted Receipt	1,500.00	-	1,500.00
(-) Paid for permitted transaction	-	18,94,574.58	18,94,574.58
(-) Deposited in Bank	1,47,000.00	5,500.00	1,52,500.00
Closing Cash Held on 30.12.2016	-	1,95,082.64	1,95,082.64

8. Earning Per Share

(₹. in lakhs)

Description	March 31, 2017	March 31, 2016
a) Net profit/loss available for equity Shareholders (in lakh) numerator used for calculation	96.57	(7.59)
b) Weighted Average no. of Equity Shares used as denominator for calculation of Earning per Share	1,41,50,100 (Nos.)	1,41,50,100 (Nos.)
Basic/Diluted- EPS	0.68	(0.05)
Face Value Per Share(Rs.)	10	10

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

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

S S Kamath
Director
DIN: 01039656
Manipal
May 26, 2017

Jyothi V B
Director
DIN: 07133349

J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205

Manipal
May 26, 2017



'CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

₹ In lakhs

	Current Year 31-March-2017	Previous Year 31-March-2016
A. Cash flow from Operating Activities :		
Profit/(Loss) before Tax	104.96	(4.11)
Adjustments for :		
Deferred Tax charged to p&l	(0.00)	0.00
Excess provision written back	7.61	(0.68)
Depreciation	2.88	5.57
Call Money Received	0.04	0.00
Share Premium Received	0.04	0.00
Interest on Investments	(29.49)	(65.10)
Dividend Income	(7.33)	(1.83)
Adjustment for unrealised Profit	0.00	(4.50)
Profit on Sale of Assets	(6.42)	0.06
Operating Profit Before Working Capital Changes	<u>72.29</u>	<u>(70.59)</u>
(Increase)/Decrease in Inventories	0.00	0.04
(Increase)/ Decrease in Trade Receivables	124.81	264.95
(Increase) / Decrease in Short term Loans and Advances	48.80	(700.31)
(Increase)/ Decrease in Other Current Asset	11.61	347.33
(increase)/Decrease in Long Term Loans and Advances	218.71	931.64
(increase)/Decrease in other Long Term Liabilities	(7.75)	0.00
Increase/ (Decrease) in Trade Payable	(12.12)	1.03
Increase/ (Decrease) in Other Non Current Assets	2.20	0.00
Increase/ (Decrease) in Long term Borrowings	0.00	15.76
Increase/(Decrease) in Short term Borrowings	0.00	(919.83)
Increase/ (Decrease) in Other Current Liability	40.00	6.81
Increase/ (Decrease) in short term Provision	1.50	2.80
Cash Generated from Operations	<u>500.05</u>	<u>(120.37)</u>
Less:Tax Expenses		
Direct Taxes Paid	(16.00)	(2.80)
Deferred Tax	0.00	0.00
Net cash from Operating Activities	<u>484.05</u>	<u>(123.17)</u>
B. Cash flow from Investing Activities		
Purchase/Sale of Fixed Assets	74.64	0.04
Purchase/Sale Proceeds of Investments (Net)	(142.58)	(8.60)
Dividend Income	7.33	1.82
Interest Received	29.49	65.10
Net Cash from Investing Activities	<u>(31.12)</u>	<u>58.36</u>
C. Cash Flow from Financing Activities		
Outstanding Deposits Paid off	(498.38)	(1105.54)
Net Cash From Financing Activities	<u>(498.38)</u>	<u>(1105.54)</u>
Net Increase/(Decrease) in Cash and Equivalents (A+B+C)	<u>(45.45)</u>	<u>(1170.35)</u>
Opening Balance of Cash and Equivalents	386.62	1556.97
Closing Balance of Cash and Equivalents	341.17	386.62

S R Gowda
Whole Time Director
DIN: 00046329

K B Shetty
Director
DIN: 01451944

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

S S Kamath
Director
DIN: 01039656
Manipal
May 26, 2017

Jyothi V B
Director
DIN: 07133349

J M Panday
Company Secretary

P V Shenoy
Partner
Membership No. 020205
Manipal
May 26, 2017



**Maha Rashtra Apex
Corporation Limited**

CIN-L85110KA1943PLC001177.

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

Tel:080-40313131

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

ATTENDANCE SLIP
(73rd Annual General Meeting)

Folio No. / DPID No. & Client ID No.....

No. of shares held.....

I hereby record my presence at the 73rd Annual General Meeting held on Friday, 29th September, 2017 at 12.00 noon at the Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli Camp Road, Yashwantpur, Bangalore – 560 022.

Member's Name:

Proxy's Name:

Member's/ Proxy's Signature

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



CIN-L85110KA1943PLC001177.

Registered Office: 3rd flr, Front Wing, North Block, Manipal Centre,
Bangalore, Karnataka - 560042

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

**FORM No. MGT - 11
PROXY FORM**

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

Name of the member(s):

Email ID:

Registered Address:

Folio No. /Client ID:

DP Id:

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

1. Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him
2. Name: _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him
3. Name: _____ Address: _____
E-mail Id: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 73rd Annual General Meeting of the Company, to be held on Friday, 29th September, 2017 at 12.00 noon Sri T Ramesh Pai Memorial Hall at Kurlon Factory, Jalahalli Camp Road, Yashwantpur, Bangalore – 560 022 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution	Vote*	
		For	Against
1	Adoption of Standalone and Consolidated Financial Statements for the year ended 31 st March, 2017 together with the reports of the Board of Directors and Auditors thereon.		
2	Re-appointment of Sri Subbarame Gowda (DIN: 00046329), as Director, who retires by rotation and being eligible, offers himself for re-appointment.		
3	Appointment of M/s. Malya & Malya, Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration		
4	Re-appointment of Sri Subbarame Gowda as Whole time Director for a period of three years.		

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

Signed this _____ day of _____ 2017

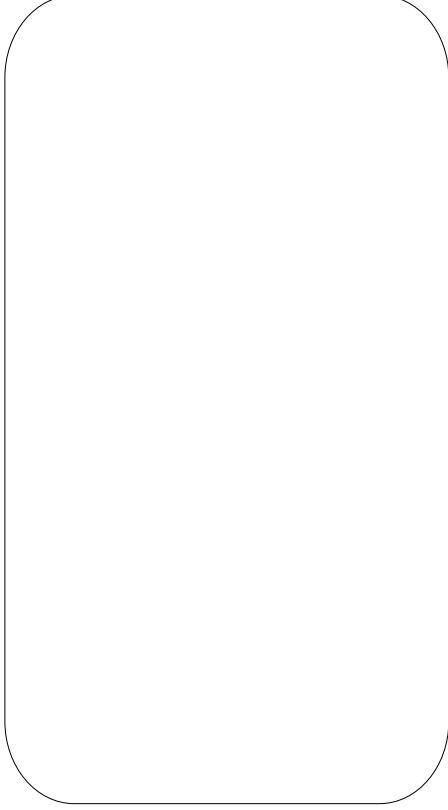
Signature of Shareholder

Signature of Proxy holder (s)

Re.1/-
Revenue
Stamp

- Note:**
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 2. The form should be signed across the stamp as per specimen signature registered with the Company.
 3. A Proxy need not be a member of the Company.

Book Post



If not delivered, please return to :



**Maha Rashtra Apex
Corporation Limited**

Admn. Off : Syndicate House, Manipal - 576 104