

MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED

CIN : U85110KA1995PLC016881

N-301, North Block, Manipal Centre, 47, Dickenson Road, Bangalore - 560042
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NOTICE

Notice is hereby given that the 22ndAnnual General Meeting of the members of M/s.**MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED WILL BE HELD ON FRIDAY THE 29TH DAY OF SEPTEMBER, 2017 AT 10.00 A.M AT SRI. T. RAMESH U PAI MEMORIAL HALL, YESHWANTPUR, BANGALORE-560022** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017 and the Statement of Profit and Loss Account for the year ended on that date together with the reports of Directors and the Auditors thereon.
2. To appoint Director in place of S S KAMATH (DIN : 01039656), who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint Auditors and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution** :

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014 (including any Statutory modification(s) thereof, for the time being in force), re-appointment of M/s. Vasudev Pai & Co, Chartered Accountant, (M. No : 020906), be and is hereby ratified as the Statutory Auditor of the Company to hold office till the conclusion of the next Annual General Meeting of the Company at such remuneration, plus GST, out-of-the pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

By Order of the Board of Directors

S R GOWDA
DIRECTOR
DIN: 00046329

Place: Bangalore
Date :26.05.2017

NOTE:

1. A Member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company. The instrument of Proxy, in order to be effective, must be deposited **AT THE REGISTERED OFFICE OF THE COMPANY AT N-301, 3RD FLOOR, NORTH BLOCK, MANIPAL CENTRE, 47, DICKENSON ROAD, BANGALORE – 560 042** duly completed and signed not less than forty-eight hours before the Meeting.
2. In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Members/Proxies are requested to bring their attendance slips duly completed and signed mentioning therein details of their Folio No and Photo Identity Card for marking the attendance.
4. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

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DIRECTOR'S REPORT

To,

The Members,

Your Directors have pleasure in presenting herewith 22nd**Annual Report** on the business and operations of the Company and the Audited Financial Statement for the Year ended March 31, 2017.

1. FINANCIAL SUMMARY

Amount inRs

Particulars	2016-2017	2015-2016
Gross Income	823853	855150
Profit Before Interest and Depreciation	447537	(8677826)
Finance Charges	-	-
Gross Profit	447537	(8677826)
Provision for Depreciation & Exceptional Items	911045	9891572
Net Profit Before Tax	1358582	1213746
Provision for Tax/Deferred Tax	585204	(68245)
Net Profit After Tax	1943786	1145501
Surplus carried to Balance Sheet	1943786	1145501

2. DIVIDEND

Considering the company's financial performance and to conserve the resources, the Directors have not recommended any dividend for the financial year 2016-2017.

3. TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the year under review.

4. PARTICULARS OF EMPLOYEES

There is no employee in the company who is drawing remuneration in excess of the limit as set out in Section 197(12) of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence your company is not required to give any statement in terms of Section 134(3) (q) of the Act read with rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

5. SHARE CAPITAL

Shares with Differential Rights

During the year, the Company has not issued shares with Differential rights

Sweat Equity

During the year, the Company has not issued Sweat Equity shares.

Bonus Shares

No Bonus Shares were issued during the year under review.

Employee Stock Option Plan

During the year, the Company has not provided any Stock Option Scheme to the employees.

Buy Back of Shares

During the year, the Company has not bought back any of its shares.

Right Issue of Shares

During the year, the Company has not issued Shares on Right basis.

6. REVIEW OF BUSINESS OPERATIONS, FUTURE PROSPECTS AND CHANGE IN THE NATURE OF BUSINESS IF ANY

Your Directors are optimistic about Company's Business with increased revenue in coming years. There is no change in the nature of business of the Company during the year.

7. DECLARATION BY AN INDEPENDENT DIRECTOR

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, hence no declaration has been obtained.

8. MEETINGS

During the year, Six Board Meetings were conveyed and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

9. DIRECTORS

During the year under review, no changes occurred in the composition of Board of directors of the Company.

10. CHANGE OF REGISTERED OFFICE

The Company has shifted its registered office from No.G-5, GROUND FLOOR, BRIGADE LINKS APARTMENTS, SESHADRIPURAM, BANGALORE - 560020 to N-301, 3RD FLOOR, NORTH BLOCK, FRONT WING, MANIPAL CENTRE, 47, DICKENSON ROAD, BANGALORE - 560042 with effect from 18.05.2017.

11. INTERNAL AUDIT AND CONTROL

Your Company does not fall within the ambit of Section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014 hence it's not required to formulate and implement any internal control system.

12. DISCLOSURE ABOUT COST AUDIT

The provision of maintenance of cost records is not applicable to the Company.

13. STATUTORY AUDITORS

M/s. Vasudev Pai & Co, Chartered Accountants, bearing Firm Regn : 004560S, who are the statutory auditors of your Company, hold office up to the conclusion of the Annual General Meeting to be held in the year 2019, subject to ratification of their re-appointment at every Annual General Meeting. The Board recommends the ratification of their re-appointment.

14. EXPLANATION ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS MADE BY THE AUDITORS

Notes to Accounts and Auditors remarks in their report are self-explanatory in nature and do not call for any further comments.

15. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return pursuant to Sections 92(3) and 134(3)(a) of the Act and rules made thereof in form MGT 9 is annexed herewith as **Annexure "A"**.

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

There were no loan, guarantees or Investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of Companies Act, 2013. There were no materially significant Related Party Transactions made by the Company during the year that would have required shareholders approval under the provisions of the Act. Details of transactions with related parties are provided in the Note No.2.19 of accompanying financial statement.

18. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

19. SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary/Joint Ventures/Associate Companies.

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

(A) CONSERVATION OF ENERGY	
The steps taken or impact on conservation of energy	NA
The steps taken by the company for utilizing alternate sources of Energy	NA
The capital investment on energy conservation equipments	NA
(B) TECHNOLOGY ABSORPTION	
The efforts made towards technology absorption	NA
The benefits derived like product improvement, cost reduction, product development or import substitution	NA
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
The expenditure incurred on research and development	NA

Details of Foreign currency transactions are as follows:

- a. The company has not earned any income in Foreign Currency during the year - NIL.
- b. The company has not incurred any expenditure in Foreign Currency - NIL.

21. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

22. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any policy on Corporate Social Responsibility initiatives as the provisions of Section 135 of Companies Act, 2013 are not applicable.

23. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors report 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 profit and 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 have laid down Internal Financial Controls which were 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. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

The Company did not have any funds which are still lying in unpaid or unclaimed dividend accounts of the Company for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund.

25. STATUTORY DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Deposit from the public falling within the ambit of Section 73 of the Act and rules made thereof.
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future

26. ACKNOWLEDGEMENTS

Your Directors would like to acknowledge the role of all its share holders and all others for their continued support to your Company and the confidence and faith that they have always reposed in your Company.

On Behalf of the Board of Directors

S R GOWDA	S S KAMATH
DIRECTOR	DIRECTOR
DIN : 00046329	DIN : 01039656

Place : Bangalore
Date : 26.05.2017

INDEPENDENT AUDITOR'S REPORT

To the Members of MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED

Report on the Financial Statements:

We have audited the accompanying financial statements of **M/s. MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation & presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Company 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 the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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; and 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our Audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) in case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2017;
- (ii) in case of the Statement of Profit and Loss, of the PROFIT of the Company for the year ended on that date; and
- (iii) in case of cash flow statement, the Cash Flows of the Company for the year ended on that date.

Emphasis of Matters:

We draw attention to Note No. 2.22 to the financial statements with regard to non-provision of Gratuity liability as at the end of the financial year. In the absence of adequate information, we are unable to quantify the liability and its subsequent effect on the financial statements.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

3. 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 purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company did not have any pending litigations, hence the disclosure of its impact on the financial statements does not arise.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealing in specified bank notes during the period from 08.11.2016 to 30.12.2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the company and as produced to us by the management – Refer Note No.2.20.

For VasudevPai&Co.,
Chartered Accountant
Firm Registration No. 004560S

T VasudevPai
Proprietor
M. No. 020906

Place of Signature : Bangalore
Date of Report : 26.05.2017

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT
Referred to in paragraph 1 under "Report on other Legal and Regulatory
Requirements" of our Report of even date

In our opinion and according to the information and explanations given to us and on the basis of our verification of the records of the Company, we report that

- 1.(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) All the fixed assets of the Company have been physically verified by the management during the year at reasonable intervals and no material discrepancy has been noticed on such verification.
- (c) Since the Company has no immovable properties shown under the Fixed Asset Schedule, para 3(ic) of the Order is not applicable to the Company.
2. The Company does not have any inventory, except stock of book debts, hence Para 3(ii) of the Order is not applicable to the Company.
3. During the year, the Company has not granted any loans secured or unsecured to Companies, Firms, LLP or Other Parties covered in the register maintained u/s.189 of the Act. However, the balance of unsecured advance Rs. 120.11 Lakhs is outstanding from its Holding Company as at 31.03.2017.
 - (a) The above advance is interest free and is not prima facie, prejudicial to the interest of the Company;
 - (b) There is no stipulation in respect of repayment of the above-referred advances which is repayable on demand;
 - (c) There are no overdue amount in respect of the above-referred advance.
4. During the year, the Company has not given any given loans/ investments/ guarantee to which the provisions of Sec. 185 and 186 of the Act apply.
5. The Company has not accepted deposits from the public during the year; hence the provisions of Section 73 to 76 of the Act and the rules framed there under and directions issued by the Reserve Bank of India are not applicable.

6. Since the Company has not carried out any manufacturing activities during the year, the Para 3(vi) of the Order with regard to maintenance of cost records is not applicable to the Company.

7. (a) The Company has been generally regular in depositing undisputed statutory dues including Income Tax, Cess and other statutory dues with the appropriate authorities during the year and there were no undisputed amounts payable in arrears as at March 31, 2017 for a period of more than six months from the date they became payable.

(b) There are no dues of Income Tax and other applicable statutory dues which have not been deposited with the appropriate authorities on account of any disputes.

8. The Company has not borrowed any amounts from banks, financial institutions or from debenture holders during the year under Audit, and therefore the Para 3(viii) of the Order is not applicable to the Company.

9. The Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans during the year. Hence, the Para 3(ix) of the Order is not applicable to the Company.

10. No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. The Company has not paid/ provided the managerial remuneration during the year. Hence, the Para 3(xi) of the Order is not applicable to the Company.

12. The Company is not a Nidhi Company and therefore the provisions of Para 3(xii) of the Order is not applicable to the Company.

13. In our opinion, all the Related Party transactions entered into by the Company during the year are in compliance with the provisions of Sec. 188 of the Act and the details thereof have been disclosed in the financial statements. Further, in our opinion, the provisions of Sec. 177 of the Act are not applicable, as the Company is not a listed/ such other class of company, as prescribed by the Act.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore the Para 3(xiv) of the Order is not applicable to the Company.
15. The Company has not entered into any non-cash transactions with directors or persons connected with him as stipulated under Sec.192 of the Act. Hence, the Para 3(xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of Para 3 (xvi) of the Order is not applicable.

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

(T VASUDEV PAI)
(PROPRIETOR)
.No : 020906

Place of Signature : Bangalore
Date : 26.05.2017

ANNEXURE – B TO THE INDEPENDENT AUDITOR’S 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 **M/s. MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED** (“the Company”), as of March 31, 2017, in conjunction with our audit of the 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 (“the Guidance Note”) 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 (“the Act”).

Auditor’s 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 and the Standards on Auditing (the Standards), 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 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 authorizations of the Management and directors of the Company; and;
3. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31st 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 Vasudev Pai & Co.,
Chartered Accountant
Firm Regn No. 004560S

T Vasudev Pai
Proprietor
M. No. 020906

Place of Signature : Bangalore
Date of Report : 26.05.2017

MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED

CIN : U85110KA1995PLC016881

N-301, North Block, Manipal Centre, 47, Dickenson Road, Bangalore - 560042

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.17

(As per Accounting Standard AS-3 issued by Institute of Chartered Accountants of India)

As at
31.03.2017
Rs.**A. CASH FLOW FROM OPERATING ACTIVITIES**

Net Profit / (Loss) before Taxes	447,537
Adjustments for:	
Interest received	(10,003)
Prior Period Expenses	(10,000)
Operating Profit/ (Loss) before changes in working capital	<u>427,535</u>
Decrease / Increase:	
Loans & Advances	(136,165)
Trade Receivables	(325,676)
Trade Payable	(160,888)
Other Current Liabilities	<u>(379,065)</u>
Net cash generated from operations	<u>(574,260)</u>

B. CASH FLOW FROM INVESTING ACTIVITIES

(Decrease) / Increase of Fixed Assets	-
(Decrease) / Increase of Investments	-
Interest received	10,003
Dividend received on Investments	-
Increase/ (Decrease) in Bank Deposits	-
Net cash generated from investing activities	<u>10,003</u>

C. CASH FLOW FROM FINANCING ACTIVITIES:

Increase/ (Decrease) in Capital	-
Increase/ (Decrease) in Borrowings	-
Interest paid	-
Net cash generated from financing activities	<u>-</u>

D. TOTAL INCREASE OR DECREASE IN CASH & CASH EQUIVALENTS DURING THE YEAR (A to C)(564,257)**E. Total increase / decrease in Cash & Cash Equivalents**

(564,257)

Cash & Cash Equivalents at the beginning of the Year 2,799,113

Cash & Cash Equivalents at the end of the Year 2,234,856

for and on behalf of the Board of Directors

As per our report of even date
for VASUDEV PAI & CO.
Chartered Accountants
Firm Registration No. 004560SS R GOWDA
DIRECTOR
DIN: 00046329S S KAMATH
DIRECTOR
DIN: 01039656T VASUDEV PAI
Proprietor
Membership No. 020906Place : Bangalore
Date : 26.05.2017

MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED

CIN : U85110KA1995PLC016881

N-301, North Block, Manipal Centre, 47, Dickenson Road, Bangalore - 560042

Balance Sheet as at 31.03.2017

(Amount in Rs.)

Particulars		Note No.	As at 31.03.2017	As at 31.03.2016
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital	2.01	50,258,000	50,258,000
	(b) Reserves & Surplus	2.02	(28,249,777)	(30,193,563)
2	Non-current Liabilities			
	(a) Deferred Tax Liabilities (Net)	2.03	143	138
3	Current Liabilities			
	(a) Trade Payables		-	160,888
	(b) Other Current Liabilities	2.04	1,019,763	1,063,838
	(c) Provisions	2.05	10	335,000
	TOTAL		23,028,139	21,624,301
II.	ASSETS			
1	Non-Current Assets			

Particulars		Note No.	As at 31.03.2017	As at 31.03.2016
(a)	Fixed Assets			
	i) Intangible Assets	2.06	473	473
(b)	Non-Current Investments	2.07	3,541,770	2,620,725
(c)	Long Term Loans & Advances	2.08	526,176	188,191
2	Current Assets			
(a)	Inventories	2.09	1,329,099	1,329,099
(b)	Trade Receivables	2.10	325,676	-
(b)	Cash and Cash Equivalentents	2.11	2,234,856	2,799,113
(c)	Short-Term Loans and Advances	2.12	15,070,089	14,686,700
	TOTAL		23,028,139	21,624,301
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS		1 & 2		

For and on behalf of Board of Directors

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

S R GOWDA
DIRECTOR
DIN: 00046329

S S KAMATH
DIRECTOR
DIN: 01039656

T VASUDEV PAI
Proprietor
Membership No. 020906

Place : Bangalore
Date : 26.05.2017

MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED

CIN : U85110KA1995PLC016881

N-301, North Block, Manipal Centre, 47, Dickenson Road, Bangalore - 560042

Statement of Profit and Loss for the year ended 31.03.2017

(Amount in Rs.)

Particulars		Note No.	As at 31.03.2017	As at 31.03.2016
I. Revenue:				
	Revenue from Operations			
	- Income from Recovery of Deceased Assets		-	87,756
	- Supervision Charges Received (net)	2.13	813,850	694,933
	Other Income	2.14	10,003	72,461
	Total Revenue		823,853	855,150
II. Expenses:				
	Other Expenses	2.15	376,316	9,532,976
	Depreciation	2.06	-	315
	Total Expenses		376,316	9,533,291
III. Profit/ (Loss) before exceptional Items & tax (I-II)			447,537	(8,678,141)
IV. Exceptional Items		2.16	911,045	9,891,887
	Profit/ (Loss) before tax (III-IV)		1,358,582	1,213,746
V. Tax Expense:				
	(1) Deferred Tax		(5)	84
	(2) Excess/(Short) Provision of Taxes		585,209	(68,329)
	VI. Profit/ (Loss) after tax (IV - V)		1,943,786	1,145,501
VII. Earnings per equity share:				
	(1) Basic		0.39	0.23
	(2) Diluted		0.39	0.23
	SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS	1 & 2		

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Place : Bangalore
Date : 26.05.2017

NOTE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2017.

1 Significant Accounting policies:

1.1 Accounting Concept :

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India to comply with the Accounting Standards specified u/s. 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The financial statements have been prepared on accrual basis under the historical cost convention. The Accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Revenue Recognition:

All income and expenditure which have material bearing on the financial statements are recognised on accrual basis.

1.3 Inventories

Stock of decreed debts have been valued at lower of cost or realizable value.

1.4 Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. All cost relating to the acquisition and installation of Fixed Assets are capitalized.

1.5 Depreciation:

Depreciation on Fixed Assets is provided on a "Straight Line Method" as per the useful life prescribed in Schedule II of the Companies Act 2013.

1.6 Investments:

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

1.7 **Exceptional Items:**

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

1.8 **Employee benefits:**

Employees are entitled to benefits, wherever applicable, but subject to deduction of statutory taxes.

Company contributions to the respective regulatory authorities are expensed to the Statement of Profit & Loss.

1.9 **Provision for Income Tax and Deferred Tax:**

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future Income tax liability, is considered as an asset. If there is convincing evidence that the company will pay normal Income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the company.

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

1.10 **Earnings per Share:**

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

MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED

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2. NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2017

Note 2.01 : Share Capital

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

(Amount in Rs.)

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
<u>Authorised</u>				
Equity Shares of Rs.10/- each	5500000	55,000,000	5500000	55,000,000
	5500000	55,000,000	5500000	55,000,000
<u>Issued</u>				
Equity Shares of Rs.10/- each	5025800	50,258,000	5025800	50,258,000
	5025800	50,258,000	5025800	50,258,000
<u>Subscribed & Paid up</u>				
Equity Shares of Rs.10/- each fully paid	5025800	50,258,000	5025800	50,258,000
TOTAL	5025800	50,258,000	5025800	50,258,000

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

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

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

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

(Amount in Rs.)

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5025800	50,258,000	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5025800	50,258,000	-	-

Sub Note D : Shares in the Company held by each shareholders in excess of 5%

Name of Shareholder	As at 31st March 2017		As at 31st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Holding Company				
Maha Rashtra Apex Corporation Ltd	5025100	99.99%	5025100	99.99%

Note 2.02 : Reserves & Surplus**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
a. General Reserve		
Balance as at the beginning of the Year	1,471,275	1,471,275
Balance as at the end of the Year	1,471,275	1,471,275
b. Surplus		
Balance as at the beginning of the Year	(31,664,838)	(32,810,339)
Net Profit/(Net Loss) for the Current Year	1,943,786	1,145,501
Balance as at the end of the Year	(29,721,052)	(31,664,838)
TOTAL	(28,249,777)	(30,193,563)

Note 2.03 : Deferred Tax Liabilities (Net)**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Deferred Tax Liabilities	138	222
Current Deferred Tax Liabilities / (Assets)	5	(84)
Deferred Tax Liabilities (Net)	143	138

Note 2.04 : Other Current Liabilities**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
(a) Expenses Payable	1,015,082	1,058,944
(b) Other Payables		
Statutory Dues Payable	4,681	4,894
Total	1,019,763	1,063,838

Note 2.05 : Provisions**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Provision for Taxation	10	335,000
TOTAL	10	335,000

Note 2.07 : Non Current Investments**Sub Note A : Investments****(Amount in Rs.)**

Particulars	As at 31st March 2017		As at 31st March 2016	
	Number	Amount	Number	Amount
Long Term Investments (Valued at Cost)				
Unquoted Shares				
Manipal Motors Pvt Ltd (Equity Shares of Rs. 10/- each fully paid)	152000	1,527,600	152000	1,527,600
Canara Steel Limited (Equity Shares of Rs. 10/- each fully paid)	400000	4,000,000	400000	4,000,000
Manipal Springs Ltd (Equity Shares of Rs. 100/- each)	25000	2,512,500	25000	2,512,500
Less: Provision for diminution in value of investment		(4,498,330)		(5,419,375)
		3,541,770		2,620,725
TOTAL		3,541,770		2,620,725

1. These Equity Shares have been sent for transfer and yet to be registered in the name of the Company as reported by the Management.

Sub Note B : Aggregate Amount**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Aggregate amount of unquoted investments (Net of Provision)	3,541,770	2,620,725

Sub Note C : Details of Provision for Diminution in value of Investments**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Non-Trade, Unquoted		
(a) Manipal Motors Pvt. Ltd.	1,526,080	1,526,080
(b) Manipal Springs Ltd	2,512,250	2,512,250
(c) Canara Steel Limited	460,000	1,381,045
TOTAL	4,498,330	5,419,375

Note 2.08 : Long Term Loans & Advances**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Loans & Advances from Others		
MAT Credit	526,176	188,191
TOTAL	526,176	188,191

Note 2.09 : Inventories**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Stock-in-Trade - Decree Debts (Valued at the lower value of cost or realisable value)	1,329,099	1,329,099
TOTAL	1,329,099	1,329,099

Note 2.10 : Trade Receivables**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
Trade Receivables outstanding for a period less than six months from the date they are due for payment		
- Unsecured, considered good	325,676	-
	325,676	-
TOTAL	325,676	-

Note 2.11 : Cash and Cash Equivalents**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
a. Balances with Banks		
- in Current Account	2,224,694	2,746,333
b. Cash on Hand	10,162	52,780
TOTAL	2,234,856	2,799,113

Note 2.12 : Short-Term Loans and Advances**(Amount in Rs.)**

Particulars	As at 31st March 2017	As at 31st March 2016
a) Loans & Advances to Related Parties		
Unsecured, considered good		
Due from Holding Company	12,011,135	12,063,709
b) Loans & Advances to Others		
Unsecured, considered good	2,364,600	2,364,600
Advance Tax & TDS	694,354	258,391
TOTAL	15,070,089	14,686,700

Note 2.13 : Supervision Charges Received (Net)**(Amount in Rs.)**

Particulars	For the year ended 31st March 2017		For the year ended 31st March 2016	
Job Work Receipts	17,191,791	18,049,972	13,894,574	15,044,853
Bonus & Incentive Reimbursed	858,181		1,150,279	
Less: Related Expenses				
Salaries & Wages	14,088,338		11,290,491	
Supervision Charges Paid	-		210,099	
Professional Charges Paid	689,419		467,441	
Bonus & Incentive Paid	858,181		924,706	
Employer's Contribution to				
- Provident Fund	958,234		920,541	
- Employees State Insurance	641,950		536,642	
		(17,236,122)		(14,349,920)
TOTAL		813,850		694,933

Note 2.14 : Other Income**(Amount in Rs.)**

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Interest Received	10,003	13,631
Interest Received on IT refunds	-	11,400
Misc. Income	-	47,430
TOTAL	10,003	72,461

Note 2.15 : Other Expenses**(Amount in Rs.)**

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
a. Legal & Professional Charges	16,516	6,000
b. Bank Charges	5,067	2,966
c. Payment to Auditor as		
i) Auditor	90,000	90,000
ii) Company Law Matters	28,625	28,625
iii) Tax Matters	57,605	46,581
d. Rates & Taxes	29,704	11,425
e. Rent Paid	21,000	21,000
f. Compensation Charges Paid	14,000	14,000
g. Miscellaneous Expenses	67,580	34,860
h. Welfare Expenses	13,500	35,208
i. Contribution to Labour Welfare Fund	1,145	10,125
j. Loss on Sale of Investments	-	9,186,002
k. Reimbursement of Recovery Expenses	31,574	46,184
TOTAL	376,316	9,532,976

Note 2.16 : Exceptional Items**(Amount in Rs.)**

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(A) Exceptional Income:		
Provision no longer required		
a. Provision for diminution in value of investment	921,045	9,891,887
Total - A	921,045	9,891,887
(B) Exceptional Expenses:		
a. Prior Period Expenses	10,000	-
Total - B	10,000	-
Net Exceptional Expenses/ (Income)	(911,045)	(9,891,887)

2.17 In the opinion of the Board, the Current Assets, Loans and Advances are realisable in the ordinary course of business. The provisions for all known liabilities have been made and are adequate.

2.18 The requirement of Accounting Standard 17 on Segment Reporting is not applicable to the Company for the year ended 31st March 2017.

2.19 As per Accounting Standard 18 as notified under the Companies (Accounting Standards) Rules, 2006, the disclosures of transaction with the related parties are given below:-

a. List of Related parties and Relationship:

Relationship	Related Parties
Key Management Personnel	a) Sri S R Gowda b) Sri K Prakash Shetty c) Sri S S Kamath
Holding Company	a) Maha Rashtra Apex Corporation Ltd

b. Related Party transactions:

Particulars	(Amount in Rs.)	
	Key Management Personnel	Holding Company
	31.03.2017	31.03.2017
	(31.03.2016)	(31.03.2016)
Summary of Balances of Related Parties		
Advance Receivable	Nil (Nil)	12,011,135 (12,063,709)
Summary of the Transactions with Related Parties		
Recovery proceeds received	Nil (Nil)	Nil (87,756)
Reimbursement of Recovery Expenses	Nil (Nil)	52,574 (84,954)

2.20 Note on Specified Bank Notes:

Description	(Amount in Rs.)		
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	16,620	16,620
(+) Permitted receipts	-	10,000	10,000
(-) Permitted payments	-	(3,460)	(3,460)
(-) Amount deposited in Bank	-	(5,500)	(5,500)
Closing cash in hand as on 30.12.2016	-	17,660	17,660

2.21 Earning per Share is calculated by dividing the profit attributable to the equity shareholders by the number of equity shares as under (AS 20):

(Amount in Rs.)

Particulars	2016-2017	2015-2016
Net Profit/(Loss) after Tax	1,943,786	1,145,501
Add(+)/Less(-) Prior Year Adjustments	Nil	Nil
Net Profit/ (Loss) attributable to Equity Share Holders	1,943,786	1,145,501
Number of equity shares used as denominator for calculating Basic EPS	5025800	5025800
Basic Earning Per Share of Rs.10/- each	0.39	0.23

2.22 The Company is still in the process of making arrangements towards contribution to gratuity fund. However, no provision has been made as at 31.03.2017.

2.23 There are no dues to Micro, Small and Medium Enterprises during the year. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2017, is not applicable.

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

For and on behalf of Board of Directors

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MAHARASHTRA APEX ASSET MANAGEMENT COMPANY LIMITED

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Note 2.06 : Fixed Assets

	Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		
		Balance as at 1 April 2016	Additions/ (Disposals)	Balance as at 31 March 2017	Rate of Depreci ation	Balance as at 1 April 2016	Depreciation charge for the year	Balance as at 31 March 2017	Balance as at 31 March 2016	Balance as at 31 March 2017
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
a	Intangible Assets									
	Software	16,500	-	16,500	40%	16,027	-	16,027	473	473
	Total	16,500	-	16,500		16,027	-	16,027	473	473