



MKCL

Creating a Knowledge Lit World
www.mkcl.org

MAHARASHTRA KNOWLEDGE CORPORATION LIMITED

ISO 9001:2008 COMPANY
CIN: U80302PN2001PLC135348

MS-CIT
Maharashtra State
Certificate in
Information Technology

**Mastering
Series**

EASY
Earning
Assistance
Services
to You

KLIC
Gateway to
Knowledge Lit
Careers

MFS
MKCL
Finishing
Schools

MS-ACIT
IT for Teachers

**Digital
University**
Digital College

OASIS
Online Application
Solution and
Integrated Services

SeTS
Secured
eTendering System

Libreria
Library
Management
System

**MKCL
SuperCampus**

14TH ANNUAL REPORT
2014-15

BOARD OF DIRECTORS

Dr. Anil Kakodkar
Dr. Deepak Phatak
Dr. Rajaram Deshmukh
Dr. Anant Sardeshmukh

Dr. Dilip Boralkar
Dr. Nishigandha Dewoolkar
Mr. Vivek Sawant, MD & CEO

COMPANY SECRETARY

Ms. Komal Chaubal, Head - Legal Affairs & Information Officer

CHIEF FINANCIAL OFFICER

Mr. Manoj Narvekar

AUDITORS

P.V.Page & Co., Chartered Accountants

BANKERS

HDFC Bank, AXIS Bank, ICICI Bank, Bank of India, State Bank of India.

REGISTERED OFFICE

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ICC 6th FLOOR, PUNE

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Tel. 020 67207300/301

HMCT, PUNE

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& Catering Technology Bldg., 412-C, Shivajinagar,
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DIRECTORS' REPORT

To
The Members of Maharashtra Knowledge Corporation Limited

Your Directors are pleased to present the 14th Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended March 31, 2015.

1.0 FINANCIAL HIGHLIGHTS

The summary of the financial results for the year ended March 31, 2015 vis-à-vis those of the previous year are summarized below:

(Rs. In Lacs)

Particulars	Standalone		Consolidated	
	2014-2015	2013-2014	2014-2015	2013-2014
Gross Profit before interest, depreciation and tax	4354.33	5468.81	4661.62	6060.08
Less : Interest	-	-	-	-
Depreciation	247.25	252.30	247.25	252.30
Profit/(Loss) Before Taxes	4107.08	5216.51	4414.37	5807.78
Less : Provision for Current Tax	1335.00	1850.00	1335.00	1850.00
Provision for Deferred Tax	(24.52)	10.76	(24.52)	10.76
Profit After Taxes	2796.60	3355.75	3103.89	3947.02
Less : Transfer to Foreign currency translation Reserve	0.67	2.54	0.67	2.54
Transfer to General Reserve	300.00	400.00	300.00	400.00
Proposed Dividend on Equity Shares	161.60	202.00	161.60	202.00
Tax on Dividend	32.31	34.33	32.31	34.33
Profit carried to Balance Sheet	2302.02	2716.88	2609.31	3308.15

2.0 RESULTS OF OPERATIONS

2.1 Business Performance

2.1.1 Revenues

Total revenues for the year ended March 31, 2015 amounted to Rs.15,924.66 Lacs as against Rs.16,829.92 Lacs for the corresponding previous year, the decrease in total revenues is 5.38 % over last year. The major reasons for decrease in turnover are as follows-

- Royalty income received from Rajasthan Knowledge Corporation Ltd. (RKCL) decreased.
- 2 Elections took place in Maharashtra. During Code of Conduct, no recruitment project was undertaken by the Government. As such no such project was entrusted to the Company during the Code of Conduct period. This resulted in decrease in MKCL's OASIS-BDP turnover drastically.
- As 2014-15 was election year, the Government undertook massive recruitment drive in 2013-14, which resulted in unusual increase (artificial growth) in MKCL's OASIS-BDP turnover, resulting in a comparative drop (by 9 crores) in 2014-15 in MKCL's OASIS-BDP turnover.
- The royalty amount charged to MKCL International FZE (MKCL Int.) had to be reduced due to business exigencies.

2.1.2 Profits after Tax

The Profits after tax for the year ended March 31, 2015 amounted to Rs.2,796.60 Lacs as against Rs.3,355.75 Lacs for the previous year, which is 16.66% lower than previous year. Turnover of MS-CIT, WAVE series of courses and KLiC diploma had all recorded positive growth. However, the profits after tax decreased due to considerable amounts spent on promotion of new lines of business, academic and business excellence awards to Network Partners and PPF Awards given to Network Partners who were consistent performers for the decade.

2.1.3 General Reserves

The Board of Directors propose to transfer Rs.300 Lacs to the General Reserves, out of profits earned by the Company for the year ended March 31, 2015.

2.1.4 Dividend

Your Directors are pleased to recommend final dividend @ Rs.2/- per equity share of Rs.10/- each, which if approved in the ensuing 14th Annual General Meeting, will be paid to those members whose name will appear in the Register of Members as on the date of the 14th Annual General Meeting.

2.1.5 Liquidity

We continue to be debt-free and maintain sufficient cash to meet our strategic objectives. There are no long-term borrowings. During fiscal year 2014-15, internal cash flow has adequately covered working capital requirements, investments and dividend payments, leaving a surplus of Rs.2,217.66 Lacs. As on March 31, 2015, we had liquid assets of Rs.16,354.98 Lacs as against Rs.14,137.32 Lacs at the previous year end. These funds have been invested mainly in Fixed Deposits with Banks and some amounts are invested in Liquid rate Income Funds.

2.1.6 Particulars of loans, guarantees or investments

There are no Loans, guarantees and investments falling under the purview of section 186 of the Companies Act, 2013.

2.1.7 Fixed Deposits

The Company has not accepted any fixed deposits and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

3.0 SUBSIDIARIES

3.1 MKCL International FZE - 100% Subsidiary of the Company

MKCL International FZE booked profit of AED 10,88,605/- (Rs.185.30 Lacs) in 2014-15 as against profit of AED 15,38,348/- (Rs.250.21 Lacs) in 2013-14.

3.2 MKCL Knowledge Foundation

During the year, your Company promoted MKCL Knowledge Foundation, a not-for-profit organization (Section 8 Company) as a wholly owned subsidiary on September 10, 2014 for undertaking social objectives. The said subsidiary has yet to actively commence operations.

4.0 REPORT OF BUSINESS ACTIVITIES OF MKCL

Introduction:

Maharashtra Knowledge Corporation Limited (MKCL) is a public limited company promoted and established by the Department of Higher and Technical Education, Government of Maharashtra and was incorporated on August 20, 2001 under the Companies Act, 1956.

Equity Profile and Board:

The Government of Maharashtra and ten public Universities in the State of Maharashtra are among the initial equity holders of MKCL. The Board of Directors normally consists of three nominees of the Government of Maharashtra, two Vice-Chancellors from among the shareholding Universities, six eminent experts from various sectors of knowledge as the

independent directors and the Managing Director.

Transformative Agenda:

Keeping in view the rapid emergence of knowledge-based society and knowledge-led economy on the global scale and recognizing that knowledge is increasingly becoming synonymous to wealth, MKCL is dedicated to the cause of bridging the **Knowledge Divide** and resultant **Development Opportunity Divide** faced by the common people in general and youth and school students in particular.

The main mission of MKCL, therefore, is to create new value-based paradigms in education, governance and empowerment of common people in the context of rapidly emerging knowledge-based society and knowledge-led economy and consistent with development opportunities therein.

As most of the new actionable knowledge is being digitally born (often through digital collaborations), digitally stored, digitally presented, digitally distributed, digitally accessed, digitally archived and managed, and in many cases even applied digitally for socio-economic progress, it becomes absolutely essential to pursue the transformative agenda of bridging the Knowledge Divide and resultant Development Opportunity Divide by first helping the common people in effectively bridging the **Digital Divide**.

Unique Identity:

The major challenge before MKCL in pursuing this agenda of bridging these new divides is to offer appropriate solutions and services for accessing education, governance and empowerment opportunities appropriate to emerging knowledge era by a large and diverse population with a world-class quality, at a very affordable cost, with a widest accessibility from metros to rural, tribal and hilly areas and in a just-in-time manner with a deeper personalized service experience on a mass- scale.

In other words, these six simultaneous challenges or mission objectives of MKCL for transformation in the fields of digital literacy, education, governance and empowerment may be summarized as **Bigger, Better, Cheaper, Faster, Wider and Deeper!**

In order to address all these six challenges simultaneously, MKCL right from its inception has recognized the transformative role of Information Technology as an equalizer, economizer, mass-scale enabler, accelerator, quality enhancer and mass-personalizer. MKCL, therefore, has been continuously designing, developing and successfully deploying very imaginative, pervasive and appropriate applications of Information Technology in universalization of digital literacy, as well as in transforming education, governance and empowerment processes in particular and socio-economic transformative processes in general. As a result MKCL has attained a unique identity as an organization capable of universalization and integration of Information Technology in all walks of life.

MKCL designs, develops and deploys state-of-the-art eLearning, eGovernance and eEmpowerment models, frameworks, technologies, products, solutions and services at affordable costs for the common people. All the MKCL models, frameworks, technologies, products, solutions and services are comparable to the best options in global context in terms of architecture, price to performance, outreach and customer satisfaction.

With its range of products and services in the field of eLearning, eGovernance and eEmpowerment, MKCL has emerged as a **Fast-track IT Enabler / IT Integration Partner / Business Process Re-engineering Partner** of the educational institutions ranging from schools to universities as well as of the government, semi-government and community organizations.

ISO 9001:2008

In addition to its existing 8 enabling programs helping all its 10 Business Development Programs, MKCL, in the year 2013-14, started two new enabling programs viz. Quality Management Program and Customer Relationships Management Program. As a result of rigorous work under these two programs quality management and customer centricity were brought at the center stage of all programs through training programs, dialogues, meetings, discussions, documentation, institutionalization of QMS in MKCL and concrete actions and their regular audits in all programs. All programs thus defined their **Quality Objectives in addition to their Business Objectives** and started conscious pursuit of achieving them.

All these organization-wide efforts and gradual change of mindset at the ranks and file finally led to the award of **ISO 9001:2008 certification to MKCL in April 2014** by British Standard Institute (BSI). MKCL has also successfully completed the surveillance audit in January 2015.

Bridging the Digital Divide - MS-CIT:

The emerging information technology revolution is giving rise to a globally connected society. This society is generating exceeding 90% of the new actionable knowledge digitally and collaboratively. The ability to use digital technologies shall, therefore, be critical for participating in developing and accessing new actionable knowledge and accessing new career and

development opportunities resulting out of the new knowledge.

Those who are denied the access to the information technology shall, thus, be deprived of the opportunities of the new world and shall face the crisis of Digital Divide in addition to economic divide, social divide, gender divide, etc.

In order to bridge the digital divide, bring the common people closer to the ethos and opportunities of the knowledge society and knowledge-led economy and with a view to bringing the real fruits of Information technology to the masses for their survival, development and empowerment, MKCL started **Maharashtra State- Certificate in Information Technology (MS-CIT)** course in the state of Maharashtra, since 2002. MS-CIT attempts to propagate IT Awareness, Literacy, Functionality and Applicability among the common people with a view to bridge the Digital Divide and the resultant Knowledge Divide and Development Opportunity Divide. MS-CIT has thus emerged as a gateway to careers and global developmental opportunities to the common people.

During last **13 years**, more than **10 Million Learners** have registered themselves for this course and have become smart users of IT. This is perhaps the world's highest record in the field of bridging the Digital Divide among the masses and promoting **Digital Citizenship** among them! MS-CIT brand has thus become synonymous with **digital empowerment of common people of Maharashtra in their personal, professional and social life**.

MS-CIT Learners include school students and college youth, parents and teachers, government employees and officers, employees and officers from private sector and cooperative sector, doctors and engineers, lawyers and accountants, artists and craftsmen, professionals and businessmen, farmers and workers, women and senior citizens, activists and representatives of public, etc.

Government of Maharashtra has also issued a Government Resolution stating that among many other courses, MKCL's IT literacy course viz. MS-CIT, is also an essential eligibility criterion for recruitment to the posts of Grade A, Grade B and Grade C in all the Government Departments and semi- government organizations in the Maharashtra state. MS-CIT Learners are co-certified by MKCL and the Maharashtra State Board of Technical Education.

MKCL's PPP Network of Authorized Learning Centers (ALCs):

In order to facilitate such a large number of learners in various parts of the state, MKCL has established about **5500+ Authorized Learning Centers (ALCs)** under its unique public-private-partnership framework. With the help of these network partners, MKCL offers wider accessibility of its services to the masses with a uniform coverage in metros, cities, semi-urban areas as well as rural, tribal and hilly areas of the state. In order to improve the outreach, a few temporary satellite centers were also added to the network for the convenience of larger number of learners registering in the summer vacation.

These 5500+ ALCs are equipped with state-of-the-art computing infrastructure on LANs with their own 5500+ proxy servers backed up by MKCL's formidable, scalable and secure server farm infrastructure with server virtualization and dynamic load balancing technologies at the central data center and **about 65,000 personal computers**. These computers are equipped with state-of-the-art operating systems, antivirus software, application software and broadband internet connectivity. MKCL has also installed Bio-metric finger-print recognition devices at all the ALCs for learner identity and presenty management. All the personal computers at all the ALCs are also being equipped on behalf of MKCL with the state-of-the-art web-cameras for operationalizing the evidence-based learning and assessment framework. These two facilities will help MKCL Network emerge as **one of the largest and reliable evidence-based Online Testing Facilities**. All these machines are managed online and supported remotely through **MKCL's IT Assets Management Framework viz. WORM**.

The paperless management of this world's largest network of IT learning centers is facilitated by MKCL's homegrown web-based software framework- viz. **SOLAR**. This framework seamlessly facilitates a complex management of inter-related **learner life-cycles, center life-cycles, channel partner life-cycles and course/ business activity life-cycles** including the management of financial transactions through 5500+ net banking accounts.

Apart from marketing, promotion, counseling, sales and academic services, the network partners have regularly participated in common marketing fund contribution for optimization of marketing expenses and avoiding duplications and expanding the outreach. This year too all the network partners have carried out a statewide Brand Cleansing Campaign for ensuring compliance of brand specification guidelines so as to achieve MS-CIT Brand Enhancement and Brand Persistence. All the network partners are also regularly participating in frequent polling for taking various crucial business and academic decisions in an open, transparent, democratic and participative manner.

MKCL is constantly and very carefully nurturing this network for last 13 years. As a part of the nurturance activities, this year also the **PPF Awards** were given to consistent performers of the decade. Similarly this year all 5500 ALC coordinators have been covered under **Medical Insurance and Accident Insurance**. In addition many academic and business excellence awards have been given to deserving ALCs. Microsoft and Adobe licenses have also been distributed to eligible ALCs. All these initiatives of MKCL have enhanced the atmosphere of confidence and mutual trust between MKCL and 5500 ALCs spread over the entire state.

This year a rigorous definition of Model ALC has been synthesized through series of discussions and brainstorming sessions at various levels. The assessment of ALCs shall commence on these critical performance indicators and sub-indicators in the year 2015-16.

MKCL's eLearning Prowess:

MKCL's homegrown eLearning platform viz. ERA (E-Learning Revolution for ALL) includes

- eContent Development Factory
- eContent Distribution and Management System
- eLearning Environment and Process Management System
- eAssessment Management
- Instant eEvaluation and eCertification System for diagnostic, formative and summative assessments and
- Learner Performance Analytics for further improvements in learning and assessment content, environment and process.

ERA is available on the 5500+ servers and LANs in a quasi-online mode at all the 5500+ authorized learning centers for serving millions of learners undergoing various courses in self-paced, interactive and social-media enabled collaborative learning environment. ERA also connects itself to the mobile phones of the learners, learning facilitators and managers for better management of learning progression of the millions of learners.

MKCL's ERA perhaps, is **the largest eLearning facility with largest user-base in India** operating in a stable manner at the grass-roots over a decade. It has overcome the barriers of long power outages on one hand and traditional and difficult-to-break teacher-centric mindsets on the other. ERA Platform today is not just accepted but highly sought after by millions of learners including even the senior citizens because of the unique underlying pedagogy / andragogy of **Inform-to-Perform and Perform-to-Transform approach** as against the traditional emphasis on only inform type of teacher centric education system. The success of ERA lies in the uniqueness of integrated unfoldment of **Learning Content, Learning Process and Learning Environment**.

Due to the implementation of technologically facilitated and personalized but sequential and guided Process of Learning, ERA has also emerged as a framework for global and local monitoring of every step of academic progression of millions of learners. The vast amount of continuously logged and securely maintained academic progression data of learners (with the IP addresses of the computers being used by them at that time) has emerged as a rich and trustworthy repository for **Big Data Learner Analytics, research, reporting and continuous improvement of quality of learning and assessment**. It has also improved the responsibility, traceability, verifiability, falsifiability and overall transparency in learning and continuous assessment of each learner across the state-wide network.

The uniqueness of MKCL's IT Literacy and Functionality skill building approach is in its emphasis of not just imparting **differential skills** but in its periodic punctuation of hundreds of non-obvious **"Take-a-Challenge"** situations and then imbibing **integral skills** with **global best practices**. The learner is then exposed to several real-life **"Take-a-Bigger Challenge"** situations and **"Take-a-Grand Challenge"** situations with *ab initio* step-by-step creation hundreds of simple and complex **socially useful and productive outputs** by gradually using and mastering preliminary as well as advanced features of various office and other IT applications.

This year many innovations have been made in MS-CIT course. They are enlisted below:

1. Parity with various **international standards in IT Literacy** such as International Computer Driving License (ICDL), European Computer Driving License (ECDL), National Educational Technology Standards, ISTE Standards, Global Digital Literacy Course Standards, etc.
2. New Topics like **go green**, ergonomics, etc.
3. **Natural sequence of learning** breaking the traditional boundaries of tool-based topics.
4. Situation based content in the form of **100+ real life situations**.
5. Fork and join construct in sequential learning to offer in parallel the different case studies (but containing same concepts) for different interest groups
6. This year an innovative and very interesting feature of **eProcessfolio** has been added to ERA for MS-CIT and has been incorporated in other courses as well. Previously the learners used to develop socially useful outputs by using office tools and publish them in their ePortfolio in ERA. Now they can record the complete process of development of the socially useful outputs along with their own voice and video commentary and publish it on YouTube server. As a result the learner's performance can be viewed and assessed by anybody from anywhere and at any time wherein one can see learner's screen showing the step-by-step process of development of output along with a small window

on bottom right corner (picture-in-picture/PIP mode) showing the video of the learner while s/he was developing that output and simultaneously giving commentary on how s/he is developing that output. Thousands of MS-CIT Learners have published their eProcessfolios on YouTube for evidence-based assessment by anybody.

7. Profiling test viz. Future Veda to decide which branch should the student select after 10th standard.

In MS-CIT the learner is first exposed to world-class real-life case studies of socially useful and productive outputs and their appreciation. S/he then is guided from **appreciation to imitation** of those case studies; then from **imitation to emulation**; from **emulation to self-expression**; from **self-expression to self-confidence** and from **self-confidence to self-esteem**!

Rich-media, interactive, self-paced and perform-type of engaging multimedia eContent (in **Marathi, English and Hindi as well as many regional Indian languages and many foreign languages**), world-class 4-colour and highly illustrated printed study material developed based on learner-development-centric instructional design and constructivist pedagogy and seamless convergence of learning and continuous assessment are some of the hallmarks of the education experience MKCL brings to the millions at an affordable cost.

Over a period of time, our **15,000+ trainers/learning facilitators** have discovered that they do not get displaced by eLearning technology if they are ready to play a very creative role where this technology reaches its limits. This offers them more meaningful and satisfying co-existence with technology and sets them free from traditional teaching and assessment drudgery. This also makes overall learning process more affordable and self-replicable. A creative involvement of more than **15,000** certified and periodically re-certified trainers/ learning facilitators helps MKCL's education system assume a desirable blend of **high-tech with human touch**. The eLearning technology and the human touch of learning facilitators together achieve incredible results!

This year about 1000 learning facilitators have been rigorously trained through residential programs at our state-of-the-art training facility at MKCL Pune. The focus of this training was to train the participants in creating eLearning content on locally relevant case studies of applications of various IT tools to be added in MS-CIT curriculum.

The implementation of MS-CIT is not only a mission to bridge digital divide but also a large-scale and unique educational transformation. It has been the result of continuous blend of **pedagogic innovations, technology innovations, partnership innovations and business innovations**. This is a unique example of blend of five mega-trends of 21st century viz. **Digitization, Virtualization, Mobilization, Mass-Personalization and Glocalization**.

MKCL's Knowledge-Lit Careers Development Program - KLiC:

In addition to the IT literacy course, MKCL, under its KLiC brand, also offers employability skills development modules as KLiC Certificate Courses at about 4000 ALCs in the state in many disciplines such as Creative Digital Arts, 3D Modeling, Publishing, Illustrations, Graphic Design, Image Editing, Multimedia and Animation, AutoCAD, Web Designing, Video Editing, Programming, Hardware and Networking, Life Skills for Workplace Readiness, Retail Management, Selling, Banking Financial Services and Insurance, Personal Financial Management, Financial Accounting, KPO, BPO, eEducation (IT for Teachers), etc. The focus of KLiC Courses is on knowledge-based skills and Career development in diverse areas of services sector. In order to assist the learners in selecting a KLiC Course, this year a very innovative test viz. **KLiC Inclination Test** has been developed and deployed.

This year new open source LMS deployed for this purpose has been further improved. The KLiC Learners enjoy the benefits of this MKCL's unique eLearning environment and MKCL's role-based and work-centric (and not book-centric or information-centric) vocational education approach. During the course, the learners are trained to produce **socially useful and productive work (SUPW)** as enshrined in Mahatma Gandhi's *Nayi Taleem*. The learning process is so designed that it begins with work, from the work, learner derives knowledge and then applies that knowledge to produce wholesome work. Thus, the learner development continues on an ever evolving upward spiral. KLiC Courses try to develop earning potential through (L)earning!

These learners are assessed by using **MKCL's Evidence-Based Assessment System** which enables assessors to evaluate the skills of the remote assesseees. This upward spiral continues to take the learner to higher levels of excellence and enhances his/her employability, knowledge, confidence and self-esteem. KLiC Courses are certified by the Yashwantrao Chavan Maharashtra Open University. This year more than 30,000 learners registered for KLiC Courses.

MKCL's EASY (Earning assistance Services to Youth):

In order to encourage especially the rural and semi-urban youth to pursue careers in the knowledge-based economy, MKCL awards free KLiC, KLiC⁺, KLiC⁺⁺ Diploma Certificates to KLiC learners who successfully complete 4, 5 or 6 KLiC Certificate Courses, preferably in a particular track.

The KLiC Diploma holders are being further developed in the area of Digital Freelancing so as to ensure decently rewarding, locally pursuable and globally relevant careers with earning opportunities in the virtual freelancing space. This is a modest step taken this year as a yet another experiment of MKCL in bridging opportunity divide.

Instead of indefinitely waiting for a placement in a company, a KLiC learner can start modest earning through freelancing if s/he is adequately trained and facilitated. In case of especially meritorious women from rural and semi-urban areas, this may prove to be an empowering boost in the context of their inability to leave homes and travel daily to workplaces or leave native places and migrate to big cities for a job.

In order to accomplish this ambitious objective of **Earning Revolution for All** (a new full form of ERA!) a software framework called **EASY (Earning Assistance Services to Youth)** has been developed this year to train these KLiC learners to actually perform in a mock freelancing market place and earn money as well as self-confidence to enter into digital freelancing. Meritorious learners are being given digital freelancing opportunities by MKCL through EASY and they will be suitably rewarded by MKCL subject to actual delivery of artifacts strictly meeting the stipulated quality and delivery periods. A facilitation and fulfillment team has been created at MKCL's newly created branch office at Seawoods, Navi Mumbai for guiding thousands of KLiC Learners spread across the state and for handholding with them for their successful entry into the exciting world of digital freelancing.

MKCL's Mastering Series:

In view of Government of India's decision to conduct 'One Nation One CET' for admissions to Engineering colleges in the form of JEE MAIN wef April 2014, MKCL recognized the need of thousands of junior college students aspiring to prepare for JEE but are not financially equipped to pay for the costly services for preparation. Inaccessibility of testing resources, assessment services and personalized post-assessment feedback were identified as additional impediments to a large number of students who were unable to migrate to cities.

MKCL, therefore, launched a truly online as well as an ALC-based quasi-online mock testing series with instant online assessment and automated personalized feedback service under its new brand - '**MASTERING JEE**'. It is a facility available almost anytime, anywhere.

This test series has chapter-wise tests, combo-tests as well as full paper tests for Physics, Chemistry and Mathematics. It is not just a low cost but a high academic quality offering. Each multiple choice option in the answers of thousands of questions is a well-designed conceptual distractor rather than an option being either obviously correct or arbitrarily wrong. All options are non-obvious, all of them appear to be correct and the wrong ones among them point out the conceptual gaps of the learners erroneously selecting them. The learners can, therefore, be counseled by the system for improvement by providing necessary academic inputs. The test series is thus not just formative but diagnostic and corrective.

Because of the richness and abundance of assessment content of a difficulty value matching that of the questions in JEE MAIN, this offering received good response in the first year itself. We have also offered **MASTERING MEDICAL ENTRANCE** under the same framework with question banks on Biology which also received a good response.

This year **MKCL's English Typing Speed Test** has also been brought under the Mastering Framework and exceeding 10,000 learners have registered for it.

MKCL Finishing Schools:

This year MKCL in partnership with some of the leading corporates in the ITES/BPM sector such as Tata Business Support Services Ltd, Tech Mahindra Ltd, WNS Ltd. MKCL, etc. implemented the second year of 3-year B.A. in Services Administration degree program recognized by Yashwantrao Chavan Maharashtra Open University. This program shall be offered as BBA from the academic year 2015-16.

This is a very innovative "learn while you earn" type of degree program in which students from rural and economically disadvantaged sections of the society were given internships in these corporates in the area of customer care. They are acquiring knowledge through actual work in the company and applying this knowledge to make the work more profound and wholesome. It is recognized by giving them work credits having 50% weightage in the degree program. From this year end-of-the-day reflection sessions by senior members have been included in the educational process and have proven very effective for the students to derive knowledge from the work done during the day.

The remaining 50% credits are knowledge credits which are earned through eLearning. For this purpose a constructivist ERA framework under the brand **LIVE (Learning In Vocational Environment) ERA** framework has been deployed. In the eLearning component the students are given an opportunity of situational learning to gain insight of various verticals of services sector such as: 1. banking 2. finance 3. accounting 4. legal 5. insurance 6. hotels, 7. restaurants 8. hospitality, 9. travel and tourism, 10. education, 11. healthcare, 12. trading, 13. messenger services, 14. communications, 15. business process outsourcing BPO and KPO 16. call centers, front office management and CRM 17. transportation and logistics, 18. event management 19. Art, culture, media and entertainment 20. retail 21. IT Infrastructure Support, 22. Market Research, etc.

This unique program attempts to solve the problem of attrition in the corporates, problem of unemployment among the

students, problem of relevance of degree program in the universities vis-à-vis the needs of industry and problem of social unrest among the educated but unemployed youth as faced by the government and society.

MKCL's Digital University:

Under its Digital University and Digital College software frameworks, MKCL now offers direct student facilitation services to **14 universities, 6000 colleges and 4 million+ students every year**. The footprint of Digital University has now also been consolidated in Gujarat and is fast expanding in Haryana and Odisha.

Digital University is essentially a software framework for seamless management of life-cycles of millions of students, thousands of institutions and tens of thousands of courses/credits. The digitally empowered students' life-cycle management is the core of this framework. It offers eServices at affordable costs to millions of students at all stages throughout their university life-cycle **right from the student online admissions up to the award of degrees and placement assistance**.

It is one of the most highly scalable, integrated, seamless and end-to-end Educational eGovernance Framework in Indian Higher Education sector and has applicability to Open and Distance Learning (ODL) sector as well involving **Open Universities and Distance Education Directorates/Departments** of traditional Universities.

Being well architected and parameterized, this framework is also applicable for the **Educational eGovernance of the School Networks** such as SSC, HSC, CBSC Boards or Parent Bodies with large number of affiliated schools for their online School life-cycle management, course life-cycle management, and student life-cycle management at very affordable cost and with high quality.

MKCL's OASIS:

MKCL, under its Online Application Solutions and Integrated Services (MKCL's OASIS) brand, offers end-to-end **online admission, online examination** with instant results, online selection based on instant merit-list generation, online scholarships disbursements, **online recruitments**, CRM, government scheme implementation services to exceeding **2.5 million+ students/ applicants/ candidates/ beneficiaries every year**. The cumulative count of OASIS applicants over last 13 years has exceeded the **12.5 million** mark!

MKCL's OASIS Framework together with the ERA Online Evaluation Framework has been used for online admissions and online entrance tests in a fast-track, transparent and affordable manner for **B.E./B.Tech. M.E./M.Tech., Medical, Pharmacy, Architecture, MBA, MCA, B.Ed, ITI**, various Diplomas and Ph. D. courses over a decade.

MKCL's OASIS Framework supports several government departments, local self-government agencies, semi-government organizations, universities, directorates, boards, educational institutions, banks, public, private and cooperative sector employers, etc. for their IT-enabled recruitments in a fast-track manner and with effective outreach to the masses on a state-wide scale including rural, tribal and hilly areas through MKCL Network.

MKCL's OASIS has offered erstwhile inaccessible higher education opportunities and job opportunities to thousands of needy youth from all these areas in an affordable and transparent manner.

MKCL's eGovernance Initiatives:

- MKCL's Secured eTendering System - **MKCL's SeTS** - is a proven solution for eProcurement and eAuctioning and is being used by many Public, private and co-operative Sector Undertakings over last decade for procurement of good and services exceeding about **8 Billion+ US Dollars** in a transparent and secure manner with significant reductions in procurement life-cycles and procurement costs. This solution, apart from being applicable to individual companies, is also being preferred by sector-wise associations of various industry verticals to cut down the cost of raw materials by the periodic collective/group procurement for their members.
- MKCL has also designed and partially developed a comprehensive framework for eGovernance of **Maharashtra Legislative Secretariat (MLS)** and so far 4 sessions of Maharashtra Legislative Assembly and Council have been successfully managed through this framework.

Excellence and Talent Nurturance Program:

MKCL has been implementing Maharashtra Olympiad Movement for last eight years and has nurtured several talented school children from all over the state for their entry into international science, mathematics, astronomy, earth sciences and environment Olympiads. This year in addition to the state-level nurturance camp, several district-level nurturance camps were organized to facilitate larger number of deserving students.

MKCL's Other Products and Services:

Apart from these products and services, MKCL also has developed and started business selling and deploying many state-of-the-art transformative frameworks, products, solutions and services such as:

1. MKCL OS (Repository of commonly required/reusable software components)
2. MKCL's Ideal Gram Assessment Framework
3. MKCL's Household Survey and Micro-Planning Framework
4. MKCL's GPS Based Mapping, Monitoring and Tracking System
5. MKCL's My Smart Society Framework
6. MKCL's eVidyalaya Framework
7. MKCL's eTutoring System
8. MKCL's Statewide School Network MIS Framework
9. MKCL's SuperCampus Framework for Educational Campuses
10. MKCL's Assessment and Accreditation Framework
11. MKCL's Secured Remote Question Paper Delivery System
12. MKCL's Online Evaluation Framework
13. MKCL's Libreria (for Library Automation of educational institutions)
14. MKCL's HRM System (for Human Resources Management)
15. MKCL's Universal Payment System
16. MKCL's MyPortal (for developing web portal of any organization)
17. MKCL's Webcasting System
18. MKCL's IT Assets Tracking System
19. MKCL's Workflow Management Framework
20. MKCL's Document Management System
21. MKCL's Hobby Homes for Sciences

Youth Empowerment:

Apart from offering the eLearning, eGovernance, and eEmpowerment services to millions of citizens in the state, leading to enhancement of their employability, upward mobility and social status, MKCL's state-wide network of 5000+ centers has also provided direct opportunities of **direct self-employment, employment and co-employment to about 25,000+ youth** in the field of strategic business coordination, IT training, marketing and counseling, learning center coordination, hardware and network maintenance, OASIS applicant facilitation at these centers in their native places by avoiding their forced migration to big cities. Generation and decade long sustenance of numerous indirect employment opportunities is yet another spin-off of MKCL's statewide network.

MKCL has also created many **internship opportunities** for youth such as Digital Creations Internships, User Interface/ User Experience (UI/UX) Design Internships, Internships through MKCL Finishing Schools in MKCL and in many corporates in ITES/ BPM sector, 150+ Marketing Internships in all districts of Maharashtra for promotion of MKCL's products and services and internships for operating Student Facilitation Centers (SFCs) and College Facilitation Centers (CFCs) in various universities implementing MKCL's Digital University Framework.

Spread in India:

With a view to offer the benefits of MKCL's proven pedagogy, technologies, innovative business models, best practices, academic course offerings in eLearning mode for enhancing employability, various IT-enabled solutions and services in education, governance and empowerment sectors to the masses outside Maharashtra at very low cost but with high quality, MKCL has established Joint Venture Companies with the various State Governments.

Rajasthan Knowledge Corporation Limited (RKCL), Odisha Knowledge Corporation Limited (OKCL) and Haryana Knowledge Corporation Limited (HKCL) are notable examples of such collaborative endeavors. All these JVs are self-sustaining and wealth creating ventures with remarkable positive social impact in digital empowerment of common people in these states and a source of pride for respective state governments. Apart from establishing the validity of MKCL's vision and model outside Maharashtra, these JVs have also proven to be a modest source of earning for MKCL, largely by way of royalty on various IPRs of MKCL.

In addition to the abovementioned states, MKCL also regularly and successfully implements many of its digital frameworks, products, solutions and services in other 10 states of India viz. **Gujarat, Goa, Karnataka, Uttar Pradesh, Bihar, Jharkhand,**

Madhya Pradesh, Chhattisgarh, Andhra Pradesh and Tamil Nadu for propagation of MKCL's products and services in these states.

Spread Abroad:

With a view to propagate the rich repertoire of its intellectual property, MKCL has also created joint ventures abroad through its subsidiary viz. **MKCL International FZE, Sharjah, UAE.**

MKCL Arabia Ltd (in Saudi Arabia along with its branch in **Egypt**) and **MKCL Lanka (Private) Ltd.** are the existing operational Joint Ventures

5.0 QUALITY INITIATIVES

We continue our journey of delivering value to our customers through significant investments in quality programs. We continue to adhere to international quality standard certification ISO 9001:2008. Our Quality Management Program (QMP) handles change management initiatives to drive quality and productivity improvements across the Company.

6.0 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No sexual harassment complaint was received during the year 2014-15 by the ICC.

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

7.1 Conservation of Energy

The Company continues its focus on energy conservation. In existing facilities, energy usage was optimized by constant monitoring; avoiding wastage and strict preventive maintenance of all equipment's to ensure their efficient operation.

7.2 Technology Absorption

During the period under review, the company has not incurred any costs on technology absorption.

7.3 Foreign Exchange Earnings and Outgo

During the year under review, the foreign exchange earnings were Rs.253.02 Lacs and the foreign exchange outgo was Rs.0.62 Lacs.

8.0 PARTICULARS OF EMPLOYEES

No employees are falling within the limits specified under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

9.0 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirements of section 134 (3) (c) of the Companies Act, 2013, the Directors confirm that:

i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii) the directors have 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.

iii) the Directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) the Directors have prepared the Annual Accounts on a going concern basis.

v) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10.0 CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values. This is ensured by conducting business with a firm commitment to ethics and values, while meeting all stakeholders expectations. Your Company's business is managed in a fair and transparent manner.

10.1 Board Diversity

The Company recognizes the importance of a diverse Board in its success. A diverse Board can leverage differences in thought, views, perspective, knowledge, skill, domain expertise, industry experience, cultural and geographical background, which will help us in achieving our cherished mission. Your Company's Board represents such diversity.

10.2 Board Meetings/Board Committee Meetings

Board Meetings

During the year under Report, five meetings of Board of Directors were held. The intervening gap between any two Board meetings was within the period prescribed by the Companies Act, 2013.

The dates on which the Board Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	Board Meeting Dates				
		22.05.2014	05.11.2014	27.08.2014	23.12.2014	27.03.2015
Mr. Rajesh Tope	Government-Nominee Director	Leave of Absence	Leave of Absence	Attended	Ceased	Ceased
Mr. D. P Savant	Government-Nominee Director	Leave of Absence	Leave of Absence	Leave of Absence	Ceased	Ceased
Mr. Sanjay Kumar	Government-Nominee Director	Leave of Absence	Leave of Absence	Leave of Absence	Ceased	Ceased
Dr. Anil Kakodkar	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Rajan Welukar	University Representative	Leave of Absence	Leave of Absence	Leave of Absence	Leave of Absence	Ceased
Dr. N.J.Pawar	University Representative	Attended	Attended	Leave of Absence	Leave of Absence	Ceased
Dr. Anant Sardeshmukh	Independent Director	Attended	Attended	Attended	Attended	Leave of Absence
Dr. Rajaram Deshmukh	Independent Director	Attended	Attended	Attended	Attended	Leave of Absence
Dr. Dilip Boralkar	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. (Mrs.) Nishigandha Dewoolkar	Independent Director	Attended	Attended	Leave of Absence	Leave of Absence	Leave of Absence
Mr. Vivek Sawant	Managing Director & CEO	Attended	Attended	Attended	Attended	Attended
Dr. Deepak Phatak	Independent Director	-	-	-	Leave of Absence	Attended

Committees of the Board

Currently the Board has six committees: the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, Shareholders' Committee, Infrastructure Development Committee and Joint Venture Formation Committee. All the committees, consists majority of independent directors.

Name of the Committee	Composition of the Committee	Category
Audit Committee	Dr. Anant Sardeshmukh <i>Chairman</i> Dr. Rajaram Deshmukh Dr. Dilip Boralkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Managing Director & CEO
Corporate Social Responsibility Committee	Dr. Anil Kakodkar <i>Chairman</i> Dr. Rajaram Deshmukh Mr. Vivek Sawant	Independent Director Independent Director Managing Director & CEO
Nomination and Remuneration Committee	Dr. Rajaram Deshmukh <i>Chairman</i> Dr. Anil Kakodkar Dr. Deepak Phatak Dr. Anant Sardeshmukh Dr. Dilip Boralkar Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Independent Director Independent Director Managing Director & CEO
Shareholders' Committee	Dr. Anant Sardeshmukh <i>Chairman</i> Dr. Rajaram Deshmukh Mr. Vivek Sawant	Independent Director Independent Director Managing Director & CEO
Infrastructure Development Committee	Dr. Anant Sardeshmukh <i>Chairman</i> Dr. Anil Kakodkar Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Managing Director & CEO
Joint Venture Formation Committee	Dr. Anil Kakodkar <i>Chairman</i> Dr. Anant Sardeshmukh Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Managing Director & CEO

10.3 Policy on Directors' appointment and remuneration

The existing composition of the Board has been specified in Article 35 of the Articles of association of the Company, which has an appropriate mix of Executive (1), Government Nominees (3), University Representatives (2) and Independent Directors (6) to maintain the independence of the Board, and separate its functions of governance and management.

The Policy regarding payment of expenses to eligible Directors and invitees for attending Board Meetings, Committee Meetings of the Board, General Meetings of the Company or meetings in connection with the business of the Company was approved by the Board in its meeting held on July 05, 2014 (and revised in Meeting held on December 23, 2014). Further, the terms of appointment of independent directors have been communicated to the said directors and is available on our website <http://www.mkcl.org>.

10.4 Declaration by Independent Directors

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the said Act.

10.5 Board Evaluation

The evaluation of the Board as a whole was conducted based on the criteria and framework adopted by the Board. None of the independent directors are due for re-appointment.

10.6 Appointment of Director

Dr. Deepak Phatak, was appointed as Independent Director of the Company in the category Expert in Information Technology vide approval of members in the 13th Annual General Meeting w.e.f. October 01, 2014.

10.7 Cessation of Directors

During the year under report, Mr. Rajesh Tope, Mr. D. P. Sawant and Mr. Sanjay Kumar, all Nominee Directors of the Government, ceased as directors of the Company w.e.f September 28, 2014.

Further, during the year under report, Dr. Rajan Welukar, University representative, tendered his resignation to the Board and ceased as director w.e.f February 04, 2015. Also, Dr. N.J. Pawar, University representative ceased as director consequent to his cessation as Vice Chancellor of Shivaji University, Kolhapur w.e.f. February 26, 2015

All four positions of directors, whose period of office is liable to determination by retirement of Directors by rotation, are presently vacant. As such, no director retires by rotation at this 14th Annual General Meeting.

11.0 CORPORATE SOCIAL RESPONSIBILITY POLICY AND IMPLEMENTATIONS

During the year 2014-15, the Corporate Social Responsibility (CSR) Committee recommended to the Board the 'Corporate Social Responsibility' Policy. The said Policy was approved by the Board in its meeting held on December 23, 2014. The said Policy is available on url <http://www.mkcl.org/images/documents/MKCL-CSR-Policy.pdf>

As per the approved CSR Policy, MKCL had undertaken to pay University fees and stipend for certain students enrolled under *Role Based and Work and Performance Centric* distance education degree and post-graduate degree programs in Yashwantrao Chavan Maharashtra Open University (YCMOU).

Budget Outlay and Allocation

MKCL for the year under report had endeavored to spend the feasible amount, which shall be atleast 2% of Company's average Net profits for the three immediately preceding Financial Years as per Section 135 (5) of the Companies Act, 2013.

In the light of above mentioned Section, MKCL worked out the 2% of its Average Net Profit as follows and thereby allocated an amount of Rs.94,00,528/- (Rupees Ninety Four Lacs Five Hundred and Twenty Eight only) towards CSR activity for the financial year 2014-15.

Year	Net Profits (Rs.)	Dividend from FZE (Rs.)	Date	Dividend from RKCL (Rs.)	Date	Total Dividend (Rs.)	NP after reducing Dividend (Rs.)
2011 -2012	3,70,978,980	4,246,736	12/29/2011	300,000	10/20/2011	4,546,736	366,432,244
2012-2013	5,24,097,399	-----	-----	600,000	9/27/2012	600,000	523,497,399
2013-2014	5,21,649,606	-----	-----	1,500,000	10/25/2013	1,500,000	520,149,606
	1,416,725,985	4,246,736		2,400,000		6,646,736	1,410,079,249
					Average Profits - 3 years		470,026,416

2% of Average net profit =Rs.94,00,528/-

In accordance with the CSR Policy, the Company, during the year under report, spent the following amount towards CSR in the following manner-

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1) Local Area or other 2) Specify the State and District where project or programs were undertaken	Amount outlay (Budget) project or program wise	Amount spent on projects or programs Sub heads: 1) Direct Expenditure on project/ programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent directly or through implementing agency
1	Role based and Work and Performance Centric distance education degree and post graduate degree programs in Yashwantrao Chavan Maharashtra Open University (YCMOU).	Education	In local area especially in Pune and Navi Mumbai, in the State of Maharashtra.	Rs.94,00,528/-	Stipend for certain students.	Rs.31,19,256/-	Directly
					Total	Rs.31,19,256/-	

During the year 2014-15 the Company spent the above mentioned amount towards activities mentioned in its CSR Policy. However, thereafter, some experts based on the accounting guidelines issued by the Institute of Chartered Accountants of India, expressed reservations about classifying the above as expenditure towards CSR Activity. It was decided to accept the said views and re-draft the CSR policy for its implementation during the financial year 2015-16. As such, the Company has decided to state that though it has followed the intent of the provision in spirit, it could not follow it in letter.

MKCL Knowledge Foundation (MKCLKF)

MKCL Knowledge Foundation, a not-for-profit organization (Section 8 Company) was incorporated as a wholly owned subsidiary of the Company on September 10, 2014 for undertaking social objectives. MKCLKF shall also function as 'Implementing Agency' of the Company for implementation of its Corporate Social Responsibility (CSR) Projects.

12.0 DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY

The Company in its meeting of Board of Directors held on June 26, 2015 had approved and adopted a risk management policy to identify, evaluate, mitigate and monitor risk factors affecting the business of the Company. The Company on continual basis will identify risk and take necessary steps to mitigate the same.

13.0 AUDITORS

13.1 Statutory Auditors

At the Annual General Meeting held on September 26, 2014, M/s P.V.Page & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 18th Annual General Meeting to be held in the calendar year 2019. Pursuant to the provisions of Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder, as amended from time to time, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s P.V.Page & Co., Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the Shareholders. In this regard, the Company has received a Certificate from the Auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

13.2 Internal Audit systems

As per the provisions of Section 138(1) of the Companies Act, 2013 and Rules thereunder, appointment of Internal Auditor

is not mandatory for the Company. However, to follow good accounting practices, ensuring statutory compliances and for good governance and effectiveness, Ms. Kalyani Shastri has been appointed as Internal Auditor of the Company w.e.f. July 07, 2014. Ms. Shastri has been working with the Company since October 2005. She has hands on experience of accounting and auditing function. She was previously entrusted with the responsibility of Internal Audit from 2009 to 2011.

13.3 Secretarial Audit

As per Section 204 of the Companies Act, 2013 and Rules thereunder, Secretarial Audit is not mandatory for your Company. However, as the primary objective of Secretarial Audit is to safeguard the interest of the Directors, key managerial personnel (KMP), employees, shareholders, creditors and customers, the Board of Directors appointed Shailesh Indapurkar & Associates, Company Secretaries for conduct of voluntary Secretarial Audit for 2014-15.

14.0 SIGNIFICANT AND MATERIAL ORDERS, OBSERVATIONS

Significant And Material Orders -

There are no significant and material orders by the Courts or Tribunals impacting the going concern status and Company's operations in future.

Audit Observation-

The Statutory Auditors, in their Report have made an observation that *'In our opinion and according to the information and explanations given to us, the inventory record maintenance system needs to be strengthened.'*

Explanation- The Company maintains stocks of books at various locations with the Company's Local Lead Centers (LLCs) which the Auditors want to be physically verified and reconciled by Company officers/Internal Auditor atleast once a year. As the course of MS-CIT is only of 3 months duration, as soon as a learner takes admission, it is necessary to provide him/her the MS-CIT book immediately. To manage these logistics, certain stock based on learner admission data is maintained at LLC locations, from where the dispatches are done to the Centers. All this is managed through a software framework of 'Material Tracking System'. Physically verifying and reconciling at more than 40 locations is not possible, however, the Company will undertake to do the same in certain sample Regions each year.

15.0 ANNEXURES

15.1 Salient features of the financial statement of subsidiaries/associate companies/joint ventures

In accordance 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/associate companies/joint ventures in Form AOC-I is appended as *Annexure I* to the Board's Report.

15.2 Particulars of contracts/arrangements with related parties

In accordance to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC-2 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 is appended as *Annexure II* to the Board's Report.

All transactions of the Company with its Associate Companies are in its ordinary course of business and are conducted as if they are unrelated and the terms are as they would be applied to an unrelated party. As such, all the below transactions are exempted from the purview of section 188 of the Companies Act, 2013. However, as a good corporate governance practice and full disclosure and transparency in transactions with Related Parties, the information is being provided.

15.3 Extract of Annual Return

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as *Annexure III* to the Board's Report.

16.0 ACKNOWLEDGEMENTS

Your Directors sincerely acknowledge the continued support and co-operation received from the Government, Suppliers, Customers, Bankers, Consultants, Network Partners and Business Partners of the Company. The Directors express their deep sense of appreciation for the total commitment, dedication and hard work put in by every employee of the Company. Lastly, your Directors are grateful for the confidence and faith shown by the members of the Company in them.

For and on behalf of the Board of Directors
Maharashtra Knowledge Corporation Limited

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Anant Sardeshmukh
Director
DIN: 00383994

Place: Navi Mumbai, INDIA.
Date: August 05, 2015

ANNEXURE I

Form AOC-I

(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/associate companies/ joint ventures

Part "A": Subsidiaries

1. Sl. No. - A. For Foreign Subsidiary

2. Name of the subsidiary : **MKCL INTERNATIONAL FZE**
Hamriyah Free Zone,
Sharjah, United Arab Emirates U.A.E
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: **Same as holding company.**
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. **1 AED: INR 17.02**
5. Share capital : **Rs.25,53,270/-**
6. Reserves & surplus : **Rs.11,52,41,058/-**
7. Total assets : **Rs.14,46,48,822/-**
8. Total Liabilities : **Rs.14,46,48,822/-**
9. Investments : **Rs.1,06,31,578/-**
10. Turnover : **Rs.4,92,97,481/-**
11. Profit before taxation : **Rs.1,85,30,016/-**
12. Provision for taxation : **NIL**
13. Profit after taxation : **Rs.1,85,30,016/-**
14. Proposed Dividend: **Interim Dividend given of 300% per share of AED 1,50,000/- each -absorbing in aggregate AED 4,50,000/- i.e. Rs.76.82 lacs**
15. % of shareholding : **100%**

1. Sl. No. -	B. For Indian Subsidiary	
2. Name of the subsidiary	: MKCL Knowledge Foundation ICC Trade Towers, "B" wing , 5 th Floor, Unit No.501 to 504, Senapati Bapat Road, Shivajinagar- Pune-411016	
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period: 10th September 2014 to 31st March 2015 (being 1st year of incorporation)	
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. N.A.	
5.	Share capital	: Rs.2,00,00,000/-
6.	Reserves & surplus	: Rs.(63,512/-)
7.	Total assets	: Rs.1,99,62,331/-
8.	Total Liabilities	: Rs.1,99,62,331/-
9.	Investments	: NIL
10.	Turnover: Other Income	: Rs.5,40,280/-
11.	Profit/(Loss) before taxation	: Rs. (63,512/-)
12.	Provision for taxation	: NIL
13.	Profit/(Loss) after taxation	: Rs.(63,512/-)
14.	Proposed Dividend	: N.A.
15.	% of shareholding	: 100%

The above Indian subsidiary is a Company formed under Section 8 of the Companies Act, 2013 and was incorporated on 10th September, 2014. It has yet to actively commence its operations for the achievement of its objectives.

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/ Joint Ventures	Rajasthan Knowledge Corporation Limited	Odisha Knowledge Corporation Limited	Haryana Knowledge Corporation Limited
1 Latest audited Balance Sheet Date	31 st March, 2015	31 st March, 2015	31 st March, 2015
2 Shares of Associate/ Joint Ventures held by the company on the year end No.	6,00,000 shares @Rs.10 each	6,00,000 shares @Rs.10 each	6,00,000 shares @Rs.10 each
Amount of Investment in Associates/ Joint Venture	Rs.60,00,000	Rs.60,00,000	Rs.60,00,000
Extend of Holding %	30%	50%	30%
3 Description of how there is significant influence	As per AS-23 guidelines	As per AS-23 guidelines	As per AS-23 guidelines
4 Reason why the associate/ joint venture is not consolidated	Consolidation is done	Consolidation is done	Consolidation is done
5 Networth attributable to Shareholding as per latest audited Balance Sheet	Rs.45,06,66,019/-	Rs.3,56,97,729/-	Rs.1,35,37,155/-
6 Profit /(Loss) for the year	NPBT- Rs.14,84,15,983/- NPAT-Rs.9,79,03,333/-	NPBT-Rs.2,37,62,162/- NPAT-Rs.1,60,52,529/-	NPBT Rs.(66,57,098/-) NPAT Rs.(66,57,098/-)
i. Considered in Consolidation	Rs.12,91,99,806/-	Rs.1,03,50,264/-	Rs.(20,34,573)
i. Not Considered in Consolidation	N.A.	N.A.	N.A.

ANNEXURE II

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: NIL

- (a) Name(s) of the related party and nature of relationship : N.A.
- (b) Nature of contracts/arrangements/transactions : N.A.
- (c) Duration of the contracts / arrangements/transactions : N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any : N.A.
- (e) Justification for entering into such contracts or arrangements or transactions : N.A.
- (f) date(s) of approval by the Board : N.A.
- (g) Amount paid as advances, if any : N.A.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: - N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis:-

- (a) Name(s) of the related party and nature of relationship: **As per below table**
- (b) Nature of contracts/arrangements/transactions: **Transactions in ordinary course of Business - As per below table.**
- (c) Duration of the contracts / arrangements/transactions: **As per below table**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: - **As per below table**
- (e) Date(s) of approval by the Board, if any: **As per below table**
- (f) Amount paid as advances, if any: **NIL**

(a) Name(s) of the related party and nature of relationship:
Haryana Knowledge Corporation Limited (Associate Company)

Project	Nature of Contract	Duration of Contract	Value	Date of board Approval
Group-D Recruitment	Recruitment	upto March 2015	Rs.24.50/- per application plus applicable taxes	August 27, 2014
School Allocation under Right To Education (RTE)	Recruitment	upto March 2015	Rs.20/- per application inclusive of applicable taxes	August 27, 2014
Posting of PG Teachers	Recruitment	upto March 2015	Rs.20/- per application inclusive of applicable taxes	August 27, 2014
D.Ed. Admissions	Admission	upto March 2015	Rs.20/- per application inclusive of applicable taxes	August 27, 2014
B.Ed. Admissions	Admission	upto March 2015	Rs.20/- per application inclusive of applicable taxes	August 27, 2014
Rationalization of posts and working surplus teachers	Recruitment	upto March 2015	-	August 27, 2014
Computation of required teachers per school	-	-	Rs.28/- per application inclusive of applicable taxes	August 27, 2014
Comparison of required teachers count with sanctioned and filled vacancies data	-	-	Rs.14/- per application inclusive of applicable taxes	August 27, 2014
Working out surplus teachers in each school	-	-	Rs.17.5/- per application inclusive of applicable taxes	August 27, 2014

Digital University software framework	Admission	upto March 2015	Rs.50/- per student per academic year plus applicable taxes	August 27, 2014
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Nature of Income	Total Income (In Lacs)
Sale of books to Haryana Knowledge Corporation Limited	Rs. 20.00 Lacs
For other service charges to Haryana Knowledge Corporation Limited	Rs. 78.83 Lacs

(a) Name(s) of the related party and nature of relationship:
Odisha Knowledge Corporation Limited (Associate Company)

Project	Nature of Contract	Duration of Contract	Value	Date of board Approval
State Council for Education Research and Training, Odisha ("SCERT")	Recruitment	upto March 2015	Rs.60/- per confirmed applicant plus applicable taxes	August 27, 2014
GPS-Mapping	Mapping Software	upto March 2015	Rs.10/- per monitoring Report plus applicable taxes	August 27, 2014
Consultancy and execution of a tender for Department of School and Mass Education (SME), Government of Odisha.	(Secured eTendering System)	upto March 2015	1.Consultancy fees: Rs.3,50,000/- Plus applicable taxes. 2. Tender execution fees: Rs.2,50,000/- Plus applicable taxes.	March 27, 2015
National Service Scheme in all the colleges affiliated to Universities in Odisha.	web application	upto March 2015	MKCL shall charge fees of Rs.9,00,000/- (Rupees Nine Lacs only) plus applicable taxes.	March 27, 2015
webcasting setup	web application	upto March 2015	1.Consultancy fees: Rs.60,000/- Plus applicable taxes. 2. Lodging - boarding charges of MKCL's trainer will be reimbursed at actuals.	March 27, 2015

Nature of Income	Total Income (In Lacs)
Sale of books to Odisha Knowledge Corporation Limited	Rs. 120.00 Lacs
For other service charges to Odisha Knowledge Corporation Limited	Rs. 322.95 Lacs

(a) Name(s) of the related party and nature of relationship:
MKCL International FZE (100% Foreign Subsidiary)

Nature of Contract	Duration of Contract	Value	Date of Board approval
Royalty	upto March 2015	Royalty Received from MKCL International FZE Rs. 253.02 Lacs	March 27, 2015

ANNEXURE III

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2015

[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 : U80302PN2001PLC135348
- ii) Registration Date : August 20, 2001
- iii) Name of the Company : Maharashtra Knowledge Corporation Limited
- iv) Category / Sub-Category of the Company : Indian Non-Government Company
- v) Address of the Registered office and contact details : ICC Trade Towers, 'A' Wing, 5th Floor, Senapati Bapat Road, Shivaji Nagar, Pune 411 016, Maharashtra, INDIA.
- vi) Whether listed company Yes / No : NO
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : N.A.

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Educational Courses, Skill development Courses viz. MS-CIT (Maharashtra State Certificate in Information Technology), MKCL's WAVE, KLiC	8522	65.69 %
2	Services through own Admission, Examination and Recruitment Software Frameworks viz. MKCL's Online Application Solutions and Integrated Services (MKCL's OASIS)	6311	13.86 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	MKCL International FZE Hamriyah Free Zone Sharjah, United Arab Emirates. PO Box.42283	Registration No.1324 and Commercial License no.2066	Foreign Subsidiary	100%	Sec. 2(87)
2	MKCL Knowledge Foundation ICC Trade Towers, B wing 5 th Floor, Senapati Bapat Road, Shivajinagar- Pune -411016 , INDIA.	U74900PN2014NPL152468	Subsidiary	100%	Sec. 2(87)
3	Rajasthan Knowledge Corporation Limited 7A, JHALANA DOONGRI JAIPUR, Rajasthan 302004, INDIA.	U80302RJ2008PLC026433	Associate	30%	Sec. 2 (6)
4	Odisha Knowledge Corporation Limited Odisha Secretariat, Government of Odisha, Bhubaneswar, 751001, INDIA.	U72200OR2011PLC014185	Associate	50%	Sec. 2 (6)
5	Haryana Knowledge Corporation Limited 4 th Floor HSIIDC IT Park Plot no. 1, Sector 22 Panchkula, Haryana 134109, INDIA.	U80904HR2013PLC050331	Associate	30%	Sec. 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				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other.....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (1)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
(2) Foreign									
a) NRI - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
B. Public Shareholdings									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Educational Institutions	Nil	20925	20925	0.26	Nil	20925	20925	0.26	Nil
Sub-Total (B) (1)	Nil	20925	20925	0.26	Nil	20925	20925	0.26	Nil
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	Nil	12500	12500	0.15	Nil	5000	5000	0.06	60.00
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	517840	517840	6.41	Nil	517840	517840	6.41	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	Nil	1202455	1202455	14.88	Nil	1209955	1209955	14.97	-0.62

c) Others (specify)									
Universities	Nil	2740000	2740000	33.91	Nil	2740000	2740000	33.91	Nil
Autonomous Bodies	Nil	185000	185000	2.29	Nil	185000	185000	2.29	Nil
Regd. Trusts, Societies	Nil	401475	401475	4.97	Nil	401475	401475	4.97	Nil
Sub-Total (B) (2)	Nil	5059270	5059270	62.61	Nil	5059270	5059270	62.61	Nil
Total Public Shareholding (B) = (B) (1) + (B) (2)	Nil	5080195	5080195	62.87	Nil	5080195	5080195	62.87	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	8080195	8080195	100.00	Nil	8080195	8080195	100.0	Nil

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of shares held at the end of the year			No. of shares held at the end of the year			% 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	Government of Maharashtra, Higher & Technical Education Department	3000000	37.13	Nil	3000000	37.13	Nil	Nil
	Total	3000000	37.13	Nil	3000000	37.13	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Government of Maharashtra, Higher & Technical Education Department	At the beginning of the year	3000000	37.13	3000000	37.13
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	3000000	37.13	3000000	37.13

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Dr. Babasaheb Ambedkar Marathwada University, Aurangabad	At the beginning of the year	370000	4.58	370000	4.58
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
2. Savitribai Phule Pune University	At the beginning of the year	370000	4.58	370000	4.58
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
3. University of Mumbai	At the beginning of the year	370000	4.58	370000	4.58
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
4. Sant Gadgebaba Amravati University, Amravati	At the beginning of the year	370000	4.58	370000	4.58
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
5. Rashtrasant Tukadoji Maharaj Nagpur University	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
6. Shivaji University, Kolhapur	At the beginning of the year	310000	3.84	310000	3.84
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	310000	3.84	310000	3.84

7. Yashwantrao Chavan Maharashtra Open University	At the beginning of the year	185000	2.29	185000	2.29
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
8. Swami Ramanand Teerth Marathwada University, Nanded	At the beginning of the year	185000	2.29	185000	2.29
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
9. North Maharashtra University, Jalgaon	At the beginning of the year	185000	2.29	185000	2.29
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
10. Secretary, Maharashtra State Board of Technical Education	At the beginning of the year	185000	2.29	185000	2.29
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
11. Mehmooda Shikshan & Mahila Gramin Bahuuddeshiya Sanstha	At the beginning of the year	185000	2.29	185000	2.29
	Datewise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Vivek Sawant, Managing Director & CEO	At the beginning of the year	31000	0.38	31000	0.38
	Datewise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	31000	0.38	31000	0.38
2. Komal Chaubal, Company Secretary & Head - Legal Affairs	At the beginning of the year	6500	0.08	6500	0.08
	Datewise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	6500	0.08	6500	0.08

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	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii+ iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
i) Addition	NIL	NIL	NIL	NIL
ii) Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i +ii + iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Vivek Sawant Managing Director & CEO	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.36,61,024/-	Rs.36,61,024/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs.8,49,541/-	Rs.8,49,541/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL
5.	Others, please specify -Employers Contribution to Provident Fund	Rs.2,21,392/-	Rs.2,21,392/-
	Total (A)	Rs.47,31,957/-	Rs.47,31,957/-
	Ceiling as per the Act	Rs.2,05,35,374/-	Rs.2,05,35,374/-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount (In Rs.)
		Dr. Anil Kakodkar	Dr. Deepak Phatak	Dr. R. B. Deshmukh	Dr. Anant Sardeshmukh	Dr. D. B. Boralkar	Dr. (Mrs.) Nishigandha Dewoolkar	
1	Independent Directors							
	Fee for attending board / committee meetings	50,000/-	10,000/-	45,000/-	50,000/-	55,000/-	10,000/-	2,20,000/-
	Commission	---	---	---	---	---	---	---
	Others, please specify -	---	---	---	---	---	---	---
	Total (1)	50,000/-	10,000/-	45,000/-	50,000/-	55,000/-	10,000/-	2,20,000/-
2	Other Non-Executive Directors							
	Fee for attending board / committee meetings	---	---	---	---	---	---	---
	Commission	---	---	---	---	---	---	---
	Others, please specify	---	---	---	---	---	---	---
	Total (2)	---	---	---	---	---	---	---
	Total (B)=(1+2)	50,000/-	10,000/-	45,000/-	50,000/-	55,000/-	10,000/-	2,20,000/-
	Total Managerial Remuneration	---	---	---	---	---	---	---
	Overall Ceiling as per the Act	---	---	---	---	---	---	---

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Komal Chhabal Company Secretary & Head-Legal Affairs	Manoj Narvekar Chief Financial Officer	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.17,71,215/-	Rs.19,28,484/-	Rs.36,99,699/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs.17,963/-	Rs.19,943/-	Rs.37,906/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify Employers Contribution to PF	Rs.1,07,355/-	Rs.1,23,197/-	Rs.2,30,552/-
	Total	Rs.18,96,533/-	Rs.20,71,624/-	Rs.39,68,157/-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
B. DIRECTORS					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---
C. OTHER OFFICERS IN DEFAULT					
Penalty	---	---	---	---	---
Punishment	---	---	---	---	---
Compounding	---	---	---	---	---

For and on behalf of the Board of Directors
Maharashtra Knowledge Corporation Limited

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Anant Sardeshmukh
Director
DIN: 00383994

Place: Navi Mumbai, INDIA.
Date: August 05, 2015

AUDITOR'S REPORT

To
The Members,
Maharashtra Knowledge Corporation Limited

Report on the financial statements

We have audited the accompanying financial statements of Maharashtra Knowledge Corporation Limited, which comprise the Balance Sheet as at March 31 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

Auditors 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 we have obtained 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 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:

1. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
2. In the case of the Profit and Loss Account, of the profit/loss for the year ended on that date; and
3. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 the paragraph 3 and 4 of the Order, to the extent applicable.

2. 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 appears from our examination of those books ;
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid 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) On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us;
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements -Refer Note 2.29 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P.V.Page & Co.
CHARTERED ACCOUNTANTS

Prakash V. Page
PARTNER
M. no.30560
FRN-107243W

Place: Mumbai, INDIA
Date: June 26, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- I. **In respect of the fixed assets:**
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- II. **In respect of its inventories:**
 - a) As explained to us, the Management physically verified the inventories of Study Material Books and Education Material during the year.
 - b) According to the information given to us and based on the review of systems and procedures for physical verification, in our opinion system and procedure for physical verification needs to be improved.
 - c) In our opinion and according to the information and explanations given to us, the inventory record maintenance system needs to be strengthened. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- III. In our opinion and according to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods. We have not noted any continuing failure to correct major weakness in the internal controls during the course of the audit.
- V. The company has not accepted any deposit from public.
- VI. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- VII.
 - a) The company is regular in depositing with appropriate authority undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income tax, Wealth Tax, Service tax, Cess and other material Statutory dues applicable to it. According to the information and explanation given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no statutory dues which are unpaid as of 31st March, 2015.
 - c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- VIII. The company has been registered for a period of more than five years. Further, the company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year immediately preceding such financial year.
- IX. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.

- X. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- XI. The Company did not have any term loans outstanding during the year.
- XII. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For P.V.Page & Co.
CHARTERED ACCOUNTANTS

Prakash V. Page
PARTNER
M. no.30560
FRN-107243W

Place: Mumbai
Date: June 26, 2015

BALANCE SHEET AS AT 31ST MARCH 2015

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31st March 2015	Figures as at 31st March 2014
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2.1	808.02	808.02
(b) Reserves and surplus	2.2	18,526.07	16,034.58
(c) Money received against share warrants		-	-
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	2.3	63.55	88.07
(c) Other Long-term liabilities	2.4	575.90	546.88
(d) Long-term provisions	2.5	300.58	236.01
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	2.6	3,537.93	3,152.46
(c) Other current liabilities	2.7	1,019.85	1,144.42
(d) Short-term provisions	2.8	9,027.74	7,648.20
TOTAL		33,859.64	29,658.64
II. ASSETS			
1 Non-current assets			
(a) Fixed assets	2.9		
(i) Tangible assets		3,732.28	3,748.12
(ii) Intangible assets		75.71	74.50
(iii) Capital work-in-progress		6.15	-
(b) Non-current investments	2.10	398.81	198.81
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2.11	9,301.60	7,853.96
2 Current assets			
(a) Current investments		-	-
(b) Inventories	2.12	545.57	13.19
(c) Trade receivables	2.13	2,135.30	2,553.39
(d) Cash and cash equivalents	2.14	16,354.98	14,137.32
(e) Short-term loans and advances	2.15	-	3.06
(f) Other current assets	2.16	1,309.24	1,076.29
TOTAL		33,859.64	29,658.64

Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For P.V. Page & Co.
Chartered Accountants

Prakash V. Page
Partner

Place: Mumbai, INDIA
Date: June 26, 2015

Anant Sardeshmukh
Director
DIN: 00383994
Place: Navi Mumbai, INDIA

Manoj Narvekar
Chief Financial Officer
M.NO.: ACA048254

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Vivek Sawant
Managing Director & CEO
DIN: 00002285
Place: Pune, INDIA

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Navi Mumbai, INDIA
Date: June 26, 2015

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31st March 2015	Figures as at 31st March 2014
I. Revenue from operations	2.17	13,808.36	15,504.80
II. Other income	2.18	2,116.30	1,325.12
III. Total Revenue (I + II)		15,924.66	16,829.92
IV. Expenses			
Expenses on courses & programs	2.19	7,295.54	6,649.18
Purchases of Stock-in-Trade		1,421.40	870.36
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(532.38)	173.77
Employee benefits expense	2.20	2,202.82	1,921.39
Depreciation and amortization expense	2.9	247.25	252.30
Other expenses	2.21	1,126.97	1,746.41
Total expenses		11,761.60	11,613.41
V. Profit before exceptional and extraordinary items and tax (III-IV)		4,163.06	5,216.51
VI. Exceptional items	2.31	55.98	-
VII. Profit before extraordinary items and tax (V - VI)		4,107.08	5,216.51
VIII. Extraordinary Items			
IX. Profit before tax (VII- VIII)		4,107.08	5,216.51
X Tax expense:			
(1) Current tax		1,335.00	1,850.00
(2) Deferred tax		(24.52)	10.76
XI Profit (Loss) for the period from continuing operations (IX-X)		2,796.60	3,355.75
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		2,796.60	3,355.75
XVI Earnings per equity share:			
(1) Basic	2.22	34.61	41.53
(2) Diluted	2.22	34.61	41.53

Significant Accounting Policies
The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.
Chartered Accountants

Prakash V. Page
Partner

Place: Mumbai, INDIA
Date: June 26, 2015

Anant Sardeshmukh
Director
DIN: 00383994
Place: Navi Mumbai, INDIA

Manoj Narvekar
Chief Financial Officer
M.NO.: ACA048254

Place: Navi Mumbai, INDIA
Date: June 26, 2015

Vivek Sawant
Managing Director & CEO
DIN: 00002285
Place: Pune, INDIA

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2015
(AS PER SCHEDULE III TO THE COMPANIES ACT, 2013)

(In Rupees Lacs)

Particulars	Figures as at 31st March 2015	Figures as at 31st March 2014
A. Cash flows from operating activities		
Net profit before tax	4,107.08	5,216.51
<u>Adjustments for:</u>		
Depreciation	247.25	252.30
Interest income	(1,076.51)	(1,143.65)
Dividend & Other income	(375.31)	(181.47)
Operating profit before working capital changes	2,902.51	4,143.69
<u>Adjustments for:</u>		
Sundry debtors and other receivables	201.95	190.80
Inventories	(532.37)	173.78
Current Liabilities and Provision for expenses	441.40	(559.08)
Cash generated from operations	3,013.49	3,949.19
Income taxes paid (net of refunds, if any)	(1,495.70)	(1,920.71)
Net cash from operating activities	1,517.79	2,028.48
B. Cash flows from investing activities		
Purchase of fixed assets	(349.95)	(94.46)
Investments in MKCL Knloweldge Foundation/HKCL	(200.00)	(60.00)
Interest income	1,076.51	1,143.65
Dividend & Other income	375.31	181.47
Net cash used for investing activities	901.87	1,170.66
C. Cash flows from financing activities		
Dividends paid	(202.00)	(202.00)
Net cash from financing activities	(202.00)	(202.00)
Net increase in cash and cash equivalents (A + B + C)	2,217.66	2,997.14
Cash and cash equivalents at beginning of period	14,137.32	11,140.18
Cash and cash equivalents at end of period	16,354.98	14,137.32

As per our report attached

For P.V. Page & Co.
Chartered Accountants

Prakash V. Page
Partner

Place: Mumbai, INDIA
Date: June 26, 2015

Anant Sardeshmukh
Director
DIN: 00383994
Place: Navi Mumbai, INDIA

Manoj Narvekar
Chief Financial Officer
M.NO.: ACA048254

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Vivek Sawant
Managing Director & CEO
DIN: 00002285
Place: Pune, INDIA

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Navi Mumbai, INDIA
Date: June 26, 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The accompanying financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India, under historical cost convention and on the accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (“ICAI”) and the provisions of the Companies Act, 2013.

II. USE OF ESTIMATES

The preparation of financial statement in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/materialized.

III. REVENUE RECOGNITION

a. Income from Programs

Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program (KLSDP)

During the year the company changed the name of its erstwhile program which was by the name Educational Business Development Program (Edu-BDP) to Knowledge Lit Skill Development Program (KLSDP). Course Fees from the MS-CIT course primarily consist of revenue accrued based upon number of learners registered on web-based SOLAR application of the Company during the current accounting period.

Exam Fees and Re-exam Fees from the MS-CIT course are recognized on the basis of learners registered on web - based SOLAR application.

National Strategic Business Partnership Development Program (NSB-PDP)/Nationwide Business Development Program (N-BDP)

During the year the company changed the name of its erstwhile program which was by the name National Strategic Business Partnership Development Program (NSB-PDP) to Nationwide Business Development Program (N-BDP). Revenue from Nationwide Business Development Program (N-BDP) is recognized on learners count as confirmed on web-based SOLAR application of the company.

Network Partnerships Management Program (NP-MP)

Renewal Fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

Digital University - Business Development Program (DU-BDP)

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web - based Digital University application.

OASIS Business Development Program (OASIS-BDP)

Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web - based OASIS application.

International Business Development Program (INT-BDP)

Income is recognized on accrual basis and 100% royalty income is booked on admission confirmation.

b. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from investments in liquid rate funds is recognized upon receipt of income from the respective fund.

IV. EXPENDITURE

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Charges relating to non-cancelable long-term operating lease are computed on the basis of lease rentals payable as per the relevant lease agreement and recognized as expense.

V. FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost for the purpose includes cost of acquisition, installation, duties and taxes, and other incidental expenses incurred during acquisition, construction or installation of fixed assets. Computers include software purchased. Land acquired on lease for 99 years or less is treated as leasehold land.

VI. DEPRECIATION

As per the Schedule II Part-C of the Companies Act, 2013 the depreciation on tangible assets has to be re-computed based on the useful life of the assets as prescribed. Based on which the difference between the revised carrying amount of assets as on 1st of April, 2014 and the carrying amount of the assets as per earlier method as on 1st April, 2014 is depreciated over the remaining useful life of the said assets.

Where the useful life of an asset is NIL as on 1st April, 2014 the difference between the W.D.V as per the earlier method and the W.D.V after retaining the residual value as per the revised calculation based on useful life is recognized in the opening balance of retained earnings. The effect of this adjustment is of Rs.111.19 Lacs which is reduced from the retained earnings.

Cost of leasehold land for 99 years or less is amortized over the remaining lease period.

Individual assets acquired for less than Rs.5,000/- are directly expensed out to Statement of Profit and Loss in the year of acquisition.

VII. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.

Foreign exchange gain or loss, resulting on account of reinstatement of monetary items on the date of balance sheet using exchange rate as on the date of Balance Sheet is recognized as income or expense for the period.

Exchange differences arising on the company's net investment in foreign subsidiary being a non-integral foreign operation are accumulated in a Foreign Currency Translation Reserve until the disposal of such investment, at which time they are recognized as income or as expense.

VIII. EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

The company contributes to a Provident Fund, which is a defined contribution plan, and is charged to Statement of Profit and Loss.

The Company provided for gratuity, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to

employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of Profit and Loss as income or expense.

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date.

IX. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Related Party disclosures have been set out in the following statement. The related parties, as defined by Accounting Standard 18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons and taken on record by the Board.

(Rupees in Lacs)

Sr.No.	Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
1	Investments		
	- Rajasthan Knowledge Corporation Limited	60.00	60.00
	- Odisha Knowledge Corporation Limited	60.00	60.00
	- Haryana Knowledge Corporation Limited	60.00	60.00
	- MKCL International FZE	18.81	18.81
	- MKCL Knowledge Foundation	200.00	-
2	Expenses		
	- Incurred on behalf of MKCL International FZE	18.77	23.84
	- Incurred on behalf of Rajasthan Knowledge Corporation Ltd. (net)	1.05	0.90
	- Incurred on behalf of Odisha Knowledge Corporation Ltd. (net)	1.24	1.47
	- Incurred on behalf of Haryana Knowledge Corporation Ltd.(net)	(0.91)	6.12
	- Incurred on behalf of MKCL Knowledge Foundation (net)	5.56	-
	- Incurred on behalf of Maharashtra Knowledge Foundation	16.71	-
	- Incurred on behalf of Maharashtra Knowledge Foundation-(Donation)	90.00	500.00
3	Income		
	- Sale of books to Rajasthan Knowledge Corporation Limited	210.00	647.00
	- For other service charges to Rajasthan Knowledge Corporation Limited	419.22	1393.97
	- Dividend Received from Rajasthan Knowledge Corporation Limited	18.00	15.00
	- Sale of books to Odisha Knowledge Corporation Ltd.	120.00	-
	- For other service charges to Odisha Knowledge Corporation Ltd.	322.95	113.84
	- Sale of books to Haryana Knowledge Corporation Ltd.	20.00	0.70
	- For other service charges to Haryana Knowledge Corporation Ltd.	78.83	63.75
	- Royalty and Other from MKCL International FZE	253.02	614.83
4	Receivable		
	- Rajasthan Knowledge Corporation Ltd.	10.05	84.89
	- Odisha Knowledge Corporation Ltd.	116.63	138.80
	- MKCL International FZE	267.87	631.86
	- Haryana Knowledge Corporation Ltd.	26.98	70.57
	- Maharashtra Knowledge Foundation	3.65	-

Names of related parties and description of relationship -

1. Rajasthan Knowledge Corporation Limited - Joint Venture
2. Odisha Knowledge Corporation Limited - Joint Venture
3. Haryana Knowledge Corporation Limited - Joint Venture
4. MKCL International FZE - Subsidiary Company
5. MKCL Knowledge Foundation - Subsidiary Company
6. Maharashtra Knowledge Foundation - Charitable Trust

X. TAXES ON INCOME

Tax expenses for the year comprise of current tax and deferred tax.

Current taxes are measured, at the amounts expected to be paid in respect of taxable income for the period, using the applicable tax rates and tax laws.

Deferred Tax Liability is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred Tax Assets is recognized only when it is certain that there is sufficient future income against which such deferred tax asset can be realized.

As per our report attached

For **P.V. Page & Co.**
Chartered Accountants

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Prakash V. Page
Partner

Anant Sardeshmukh
Director
DIN: 00383994
Place: Navi Mumbai, INDIA

Vivek Sawant
Managing Director & CEO
DIN: 00002285
Place: Pune, INDIA

Place: Mumbai, INDIA
Date: June 26, 2015

Manoj Narvekar
Chief Financial Officer
M.NO.: ACA048254

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS: 5186

Place: Navi Mumbai, INDIA
Date: June 26, 2015

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2015**

**NOTE NO 2.1
SHARE CAPITAL**

(In Rupees Lacs)

Particulars	Figures as at 31st March 2015		As at 31st March 2014	
	Number	Rupees	Number	Rupees
Authorised Share Capital				
Equity Shares of Rs.10 each	20,000,000	2,000.00	20,000,000	2,000.00
Issued, Subscribed & Paid Up Share Capital				
Equity Shares of Rs.10 each, fully Paid Up	8,080,195	808.02	8,080,195	808.02
Total	8,080,195	808.02	8,080,195	808.02

SHARE HOLDING PATTERN

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Total Paid Up Capital	No. of Shares held	% of Total Paid Up Capital
Department of Higher & Technical Education, Government of Maharashtra	3,000,000	37.13	3,000,000	37.13
10 Universities	2,740,000	33.91	2,740,000	33.91
Others	2,340,195	28.96	2,340,195	28.96
Total	8,080,195	100.00	8,080,195	100.00

NOTE NO 2.2

RESERVES & SURPLUS

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
General Reserve Account		
Opening Balance	5,000.00	4,600.00
(+) Current Year Transfer	300.00	400.00
Closing Balance	5,300.00	5,000.00
Foreign Currency Translation Reserve		
Opening Balance	6.22	3.69
(+) Current Year Transfer	0.67	2.54
(-) Written Back in Current Year	-	-
Closing Balance	6.89	6.23
Surplus		
Opening balance	11,028.35	8,311.48
Depreciation Amount Adjusted on Assets whose useful Life is Nil	(111.19)	-
(+) Surplus For the current year	2,796.60	3,355.74
Total Allocable Surplus - (A)	13,713.76	11,667.22
Allocations & Appropriations		
(-) Transfer to Foreign Currency Translation Reserve	0.67	2.54
(-) Transfer to Reserves	300.00	400.00
(-) Proposed Dividends	161.60	202.00
(-) Tax on Dividends	32.31	34.33
Total Allocations & Appropriations -(B)	494.58	638.87
Closing Balance (A-B)	13,219.18	11,028.35
Total	18,526.07	16,034.58

NOTE NO 2.3

DEFERRED TAX LIABILITIES (NET)

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Deffered Tax Liability		
Opening Balance	120.81	77.32
Transfer during the year	(18.32)	43.49
Total	102.49	120.81
Deferred Tax Asset		
Opening Balance	32.73	32.74
Transfer during the year	6.21	-
Total	38.94	32.74
Total	63.55	88.07

NOTE NO 2.4

OTHER LONG TERM LIABILITIES

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Trade Payables	-	-
(b) Others		
Study Material Deposit	320.28	327.17
Performance Guarantee Money & Retention	21.12	15.12
Security Deposits	234.50	204.60
Total	575.90	546.88

NOTE NO 2.5

LONG-TERM PROVISIONS

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Provision for employee benefits		
Leave Encashment	285.80	221.22
(b) Others	14.78	14.78
Total	300.58	236.01

NOTE NO 2.6**TRADE PAYABLES**

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Liability towards Network Partners	2,358.46	2,060.08
Creditors for Material & Services	1,168.25	1,027.14
Payable to University	11.22	65.24
Total	3,537.93	3,152.46

NOTE NO 2.7**OTHER CURRENT LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
a) Unclaimed Dividend	4.44	3.64
Tax Deducted at Source	82.27	85.28
Service Tax	0.34	-
Tax on Works Contracts under MVAT	0.60	-
Professional Tax	0.51	-
b) Others		
Common Marketing Contribution	471.40	378.91
Other Liabilities	460.29	676.59
Total	1,019.85	1,144.42

NOTE NO 2.8**SHORT TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Provision for employee benefits		
Salary & Reimbursements	22.72	10.07
Contribution to ESIC	0.23	0.23
Contribution to Provident Fund	29.01	21.27
Provision for Performance Linked Awards	350.00	300.00
Employee Advance	0.35	0.93
Director's Remuneration	1.72	-
(b) Others		
Provision for Corporate Income Tax (A.Y. 10-11)	1,069.37	1,069.37
Provision for Corporate Income Tax (A.Y. 11-12)	1,025.00	1,025.00
Provision for Corporate Income Tax (A.Y. 12-13)	1,365.00	1,365.00
Provision for Corporate Income Tax (A.Y. 13-14)	1,770.00	1,770.00
Provision for Corporate Income Tax (A.Y. 14-15)	1,850.00	1,850.00
Provision for Corporate Income Tax (A.Y. 15-16)	1,335.00	-
Provision for Proposed Dividend	161.60	202.00
Corporate Dividend Tax Payable	32.31	34.33
VAT Payable (F.Y. 12-13)	9.90	-
VAT Payable (F.Y. 14-15)	5.53	-
Total	9,027.74	7,648.20

NOTE NO 2.9 FIXED ASSETS

(In Rupees Lacs)

Sr. No.	Particulars	Gross Block					Accumulated Depreciation						Net Block	
		Balance as at 1 April 2014	Additions	Deletion / Transfers	Revaluations / (Impairments)	Balance as at 31st March 2015	Balance as at 1 April 2014	Depreciation Amount adjusted on assets whose useful life is NIL on or before 01-04-14	Adjusted Opening Balance of Accumulated Depreciation	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2015	Balance as at 31st March 2014
a	Tangible Assets													
	Land	40.87	-	-	-	40.87	-	-	-	-	-	-	-	40.87
	Lease Hold Land	1,684.26	-	-	-	1,684.26	34.82	-	31.38	-	-	66.20	-	1,618.05
	Office Premises	2,092.66	3.50	-	-	2,096.16	400.30	-	82.27	-	-	482.58	-	1,613.59
	Plant and Machinery	1.04	-	-	-	1.04	1.04	-	-	-	-	1.04	-	-
	Furniture and Fixtures	342.77	93.70	-	-	436.47	191.61	1.42	52.35	-	-	245.39	-	191.08
	Office Equipment and Appliances	273.50	70.01	-	-	343.51	193.89	49.02	18.76	-	-	261.67	-	81.84
	Computer Hardware	453.74	65.14	-	-	518.88	408.10	58.57	-13.74	-	-	452.92	-	65.96
	Electrical Fittings	128.95	46.78	-	-	175.73	65.86	1.07	33.15	-	-	100.09	-	75.64
	Air Conditioner	51.54	31.36	-	-	82.90	28.86	1.11	10.33	-	-	40.29	-	42.61
	Solar Panels Power Generation Plant	6.46	-	-	-	6.46	3.16	-	0.66	-	-	3.81	-	2.64
	Total - a	5,075.77	310.50	-	-	5,386.27	1,327.64	111.19	215.16	-	-	1,653.99	-	3,732.28
b	Intangible Assets													
	Computer software	380.06	33.30	-	-	413.36	305.55	-	32.10	-	-	337.65	-	75.71
	Total - b	380.06	33.30	-	-	413.36	305.55	-	32.10	-	-	337.65	-	75.71
c	Capital Work In Progress													
		-	6.15	-	-	6.15	-	-	-	-	-	-	-	6.15
	Total - c	-	6.15	-	-	6.15	-	-	-	-	-	-	-	6.15
	Total - a + b	5,455.82	349.95	-	-	5,805.78	1,633.20	111.19	247.25	-	-	1,991.64	-	3,814.14
	Previous Period	5,361.37	94.46	-	-	5,455.82	1,380.90	-	252.30	-	-	1,633.20	-	3,822.63

NOTE NO 2.10**NON-CURRENT INVESTMENTS****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
A Trade Investments		
(a) Investment in Equity instruments		
MKCL International FZE	18.81	18.81
1 Share @ Rs.18,80,816/-		
Rajasthan Knowledge Corporation Limited	60.00	60.00
6,00,000 Shares @ Rs.10/- each		
Odisha Knowledge Corporation Limited	60.00	60.00
6,00,000 Shares @ Rs.10/- each		
Haryana Knowledge Corporation Limited	60.00	60.00
6,00,000 Shares @ Rs.10/- each		
MKCL Knowledge Foundation	200.00	-
20,00,000 Shares @ Rs.10/- each		
Total	398.81	198.81

NOTE NO 2.11**LONG TERM LOANS AND ADVANCES****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
a. Capital Advances	-	-
b. Security Deposits		
Unsecured, considered good	84.47	100.90
c. Corporate Income Tax		
Corporate Income Tax Paid (A.Y. 10-11)	1,077.72	1,077.72
Corporate Income Tax Paid (A.Y. 11-12)	999.89	999.89
Corporate Income Tax Paid (A.Y. 12-13)	1,370.81	1,370.81
Corporate Income Tax Paid (A.Y. 13-14)	1,786.32	1,786.32
Corporate Income Tax Paid (A.Y. 14-15)	1,887.66	1,874.36
Corporate Income Tax Paid (A.Y. 15-16)	1,478.17	-
Refund Receivable-Corporate Tax (A.Y. 07-08)	2.73	2.73
Refund Receivable-Corporate Tax (A.Y. 08-09)	13.52	13.52
d. VAT Refund Receivable		
VAT Refund Receivable (F.Y. 09-10)	0.03	7.95
VAT Refund Receivable (F.Y. 10-11)	7.03	15.59
VAT Refund Receivable (F.Y. 11-12)	0.59	6.17
VAT Refund Receivable (F.Y. 12-13)	-	6.96
VAT Refund Receivable (F.Y. 13-14)	-	1.05
e. Others-Unsecured, considered good		
Advance to BSNL	590.00	590.00
Advance to BARC	2.66	-
Total	9,301.60	7,853.96

NOTE NO 2.12

INVENTORIES

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
a. Stock-in-trade - At Cost (As certified by the Management)		
Inventory of Books	535.27	1.74
Inventory of Educational Material	0.40	1.55
Inventory of Sugarcane Planters	9.70	9.70
Inventory of Contour Markers	0.20	0.20
Total	545.57	13.19

INVENTORY AND QUANTITATIVE DETAILS

Inventory includes set of Study Materials and Project Materials. These stocks are valued at Cost or Fair Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company. Cost is arrived at by applying Weighted Average Formula.

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issues Quantity (Nos)	Closing Quantity (Nos)
Books	2,321	1,400,155	768,805	633,671
Educational Material	138	-	90	48
Contour Markers	8	-	-	8
Sugarcane Planters	10	-	-	10

NOTE NO 2.13

TRADE RECEIVABLES

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	1,076.57	711.56
Others	1,058.73	1,841.83
Total	2,135.30	2,553.39

NOTE NO 2.14**CASH AND CASH EQUIVALENTS****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
a. Balances with banks	2,482.53	1,108.78
b. Cash in hand	2.47	1.02
c. Liquid Rate Income Fund	450.13	1,060.45
d. Others-Fixed Deposit	13,419.85	11,967.06
Total	16,354.98	14,137.32

OTHER DISCLOSURES RELATED TO CASH AND CASH EQUIVALENTS**(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
Earmarked balances with banks (Unpaid Dividends)	5.28	4.22
Balances with banks to the extent held against performance bank guarantees	26.32	11.51
Bank deposits with more than 12 months maturity	6,426.04	7,294.84

NOTE NO 2.15**SHORT-TERM LOANS AND ADVANCES****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
a) Others (specify nature)		
Service Tax Paid	-	3.06
Total	-	3.06

NOTE NO 2.16**OTHER CURRENT ASSETS****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
Prepaid Expenses	40.39	35.90
Accrued Interest on Fixed Deposits	1,263.35	1,035.29
Others	5.50	5.10
Total	1,309.24	1,076.29

NOTE NO 2.17

REVENUE FROM OPERATIONS

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
I. Sale of products	351.04	681.71
II Sale of services		
Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program (KLSDP)		
Revenue from MS-CIT course	8,547.25	8,292.90
Revenue from Other courses	523.33	252.41
	9,070.58	8,545.31
National Strategic Business Partnership Development Program (NSB-PDP)/Nationwide Business Development Program (N-BDP)	740.09	1,336.16
Network Partnership Management Program (NP-MP)		
Registration/Renewal/Processing/Annual/LMS License Fees	206.21	337.96
Digital University- Business Development Program (DU-BDP)	1,037.69	942.96
OASIS-Business Development Program (OASIS-BDP)		
Online Admissions	655.75	905.09
Recruitment Projects	1,257.45	1,956.74
	1,913.20	2,861.82
eGovernance-Business Development Program (eGov-BDP)		
Design & Development of Digital MLS	67.74	89.71
eTendering Services & Others	134.81	74.75
	202.55	164.46
Educational eGovernance Business Development Program (Edu-eGov BDP)	25.81	-
MKCL Finishing Schools (MFS) Program	8.17	10.80
Excellence & Talent Nurturance Program (Excel-TNP)	-	10.49
International Business Development Program (INT-BDP)	253.02	613.13
Total	13,808.36	15,504.80

NOTE NO 2.18

OTHER INCOME

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Interest Income (On deposits with banks)	1,076.51	1,143.65
Dividend from Subsidiary company	76.82	-
Dividend Income	318.64	103.98
Gain/(Loss) on foreign currency	(11.87)	(0.57)
Other non-operating income (net of expenses directly attributable to such income)	56.67	78.06
Old Balances Written Back	599.53	-
Total	2,116.30	1,325.12

NOTE NO 2.19**EXPENSES ON COURSES & PROGRAMS**

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program (KLSDP)		
Share, Exam/Re-Exam Fees, Content Development	4,724.64	4,343.80
Advertisement & Sales Promotion	592.22	420.17
Course Material Related Expenses	564.09	376.06
Expenses on Other Courses	230.49	117.27
	6,111.44	5,257.30
National Strategic Business Partnership Development Program (NSB-PDP)/Nationwide Business Development Program (N-BDP)	92.58	230.69
Network Partnership Management Program (NP-MP)	336.06	248.83
Digital University- Business Development Program (DU-BDP)	259.48	257.32
OASIS-Business Development Program (OASIS-BDP)		
Online Admissions	65.26	93.84
Recruitment Projects	339.82	443.16
	405.08	537.00
eGovernance-Business Development Program (eGov-BDP)	5.89	6.63
MKCL Finishing Schools (MFS) Program	55.47	22.20
Excellence & Talent Nurturance Program (Excel-TNP)	-	59.32
International Business Development Program (INT-BDP)	29.54	29.89
Total	7,295.54	6,649.18

NOTE NO 2.20**EMPLOYEE BENEFIT EXPENSES**

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
(a) Salaries	1,996.18	1,762.34
(b) Contributions to -		
(i) Provident fund	142.03	111.64
(ii) Gratuity fund	54.48	39.36
(c) Staff welfare expense	10.13	8.06
Total	2,202.82	1,921.39

NOTE NO 2.21

OTHER EXPENSES

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Advertisement/Sales Promotion expenses	3.82	20.20
Education Promotion Teaching and Development Expenses	102.10	114.55
Auditors Remuneration incl. out of pocket expenses	21.17	17.74
Bank Charges	0.67	0.46
Communication Expenses	43.78	56.02
Donations	92.00	500.00
Electricity charges	79.41	70.07
Taxes with Interest	8.01	3.99
Legal, Professional & Consultancy Charges	87.26	98.63
Maintenance of Offices & Building	123.08	119.97
Meeting Expenses	29.44	17.67
Old Balances Written Off	0.55	1.44
Printing and Stationary	10.41	12.27
Rent Rates Taxes and Insurance	184.19	184.63
Repairs and Maintenance	40.81	54.39
Recruitment Expenses	32.96	2.72
Traveling and Conveyance	58.91	55.13
Website hosting and registration expenses	44.51	56.70
Miscellaneous Expenses	24.48	24.68
Bad Debts	139.41	335.15
Total	1,126.97	1,746.41

NOTE NO 2.22

EARNING PER EQUITY SHARE

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Net Profit attributable to equity shareholders	2,796.60	3,355.75
Weighted average number of equity shares outstanding	8,080,195	8,080,195
Earnings Per Share Basic & Diluted (Rs.)	34.61	41.53

NOTE NO 2.23**EARNING IN FOREIGN EXCHANGE****(In Rupees Lacs)**

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Royalty and other income from MKCL International FZE	253.02	614.83
Total	253.02	614.83

NOTE NO 2.24**EXPENSES IN FOREIGN EXCHANGE****(In Rupees Lacs)**

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Foreign Travel Expenses	0.62	2.99
On Software Services	-	3.48
Total	0.62	6.47

NOTE NO 2.25**DIRECTORS REMUNERATION****(In Rupees Lacs)**

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Salary	18.45	15.40
Performance linked awards	6.14	6.02
Other Allowances	11.25	9.48
Contributions to PF	2.21	1.85
Perquisites	8.50	8.22
Gratuity	0.77	0.64
Total	47.32	41.61

NOTE NO 2.26

PAYMENT TO THE AUDITORS

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
As :		
a) Auditors	17.98	16.85
b) For Taxation Audit	1.69	1.69
c) For Taxation matters	1.99	1.99
d) Certification & Consultation fees	1.17	1.41
e) For Reimbursement of Expenses	0.15	0.15
Total	22.98	22.09

NOTE NO 2.27

OBLIGATIONS OF LONG-TERM NON-CANCELABLE OPERATING LEASES

The lease rentals charged during the period and maximum obligations on long-term non-cancelable operating leases payable as per the rentals stated in the respective agreement are as follows:

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Lease Rental recognized during the year		
Mumbai Office	6.30	6.30
Pune Offices and Guest House	158.93	160.01
Lucknow Office	6.07	7.35
Vashi Office	-	5.81
Total of Lease on Office premises	171.30	179.47
Lease Obligations payable		
Not later than one year of the Balance Sheet date	162.62	160.78
Later than one year and not later than five years	271.77	433.25
Later than five years	-	-

NOTE NO 2.28**SEGMENT REPORTING
REPORTABLE SEGMENT**

Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program (KLSDP), OASIS- BDP & DU-BDP are identified as reportable Primary segments on the basis of Business Segment as defined in Accounting Standard 17 - Segment Reporting issued by Institute of Chartered Accountants of India, since revenue from these activities constitutes more than 75% of the total revenue of the Company.

(In Rupees Lacs)

Particulars	For the period ended 31st March 2015				For the period ended 31st March 2014			
	PRIMARY SEGMENT			Total	PRIMARY SEGMENT			Total
	Edu-BDP	OASIS-BDP	DU-BDP		Edu-BDP	OASIS-BDP	DU-BDP	
Revenue								
Revenue from Business Development Program	9,070.58	1,913.19	1,037.69	13,808.36	8,556.11	2,861.84	942.96	15,504.80
Other Income	-	-	-	2,116.30	-	-	-	1,325.12
Total Revenue				15,924.66				16,829.92
Expenses								
Direct expenses attributable to Business Development Program	6,733.91	405.08	259.48	8,184.57	5,846.52	537.00	257.32	7,693.31
Other Allocable Expenses	1,508.51	338.79	291.38	2,795.81	1,208.00	483.03	351.96	2,702.05
Unallocable Expenses	-	-	-	837.32	-	-	-	1,218.05
Total Expenses				11,817.58				11,613.41
Profit Before Tax				4,107.08				5,216.51

NOTE NO 2.29

CONTINGENT LIABILITIES

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Outstanding Bank Guarantees for		
- Performance guarantee for services given	26.32	11.51
Total Contingent Liabilities	26.32	11.51

- 1 Performance bank guarantees aggregating to Rs.590 lacs were invoked by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company has challenged the action of M/s. BSNL by invoking appropriate legal recourse. Arbitration proceeding in this matter has been initiated as per the order of Honorable Civil Court, Pune. The Company has filed a Special Civil Suit on 10th April, 2012 in the Honorable Court of Pune against M/s. WICENeT Ltd. regarding the counter Indemnity Bond given by M/s WICENeT Ltd to Maharashtra Knowledge Corporation Ltd. in respect of the Performance Bank Guarantee given by Maharashtra Knowledge Corporation Ltd. to M/s. BSNL, which is invoked. The total claim amount in the said suit is Rs.583 lakhs.
- 2 Bank Guarantee for Security deposit of Rs.2.66 Lacs issued to Department of Atomic Energy, Government of India was invoked on 20.02.2015.
- 3 The Company has gone into appeal against the 143(3) order issued by the Income Tax Department for F.Y. 2009-2010 i.e. for A. Y 2010-2011. The Income Tax demand raised in the 143 (3) order of Rs.14.27 lakhs, against this the company has already paid Rs.7.00 lakhs, as a pre-requisite for going into appeal. Appeal order has been passed but the final liability is yet to be ascertained by the assessing officer so the balance amount of demand of Income Tax of Rs.7.27 lakhs is of contingent nature..

NOTE NO 2.30

INVESTMENT IN LIQUID RATE INCOME FUND

Company has shown investment in Liquid Rate Income Fund under Cash and cash equivalents as the amounts lying in Liquid Rate Income Fund can be withdrawn / invested on, as and when required basis.

NOTE NO 2.31

EXCEPTIONAL ITEMS

- a) The company on getting its VAT registration effective from FY 09-10 onwards till FY 13-14 had claimed VAT set off on all our local purchases. As a result, company was showing VAT refund receivable from FY 09-10 till FY 13-14 after adjusting the VAT set off against the VAT payable in its financials. During the course of VAT assessment, our full claim of VAT set off on all our local purchases was not accepted by the Department. As a result the VAT refund receivable as shown in the Financials was re-adjusted to the extent available and the remaining portion was charged to Profit & Loss Account amounting to Rs.47.54 Lacs.
- b) The property tax on our Seawoods office pertaining to FY 13-14 amounting to Rs.8.44 Lacs was paid during the year on receipt of property tax bill.

NOTE NO 2.32

RECLASSIFICATION

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to requirement of Revised Schedule III format of Balance Sheet and Statement of Profit & Loss prescribed by the new Companies Act, 2013.

AUDITOR'S REPORT

To
The Members,
Maharashtra Knowledge Corporation Limited

Report on the Consolidated Financial statements

We have audited the accompanying financial statements of Maharashtra Knowledge Corporation Limited (hereinafter referred to as "the Holding company"), and its subsidiaries (the holding company and its subsidiaries together referred as "The Group") its associates, comprising of the Consolidated Balance Sheet as at March 31 2015, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors are 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 including its Associates 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 and of its associates 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.

Auditors Responsibility

Our responsibility is to express an opinion on these consolidated 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 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 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 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 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 accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and the audit evidence obtained by 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 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 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:

1. In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
2. In the case of the Consolidated Profit and Loss Account, of the profit/ loss for the year ended on that date; and

3. In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

- a. We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets of Rs.199.62 Lakhs as at 31st March, 2015, total revenues of Rs.5.40 lakhs and net cash flows amounting to Rs.194.22 Lakhs for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of net profit/(loss) of Rs. 35.22 Lakhs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of two associates, whose financial statements / financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports 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 associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

- b. The consolidated financial statements also include the Group's share of net profit/(loss) of Rs. 272.69 Lakhs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements/financial information are unaudited and 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 associates, 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 and associates, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to these unaudited financial statements which have been included in consolidation of financial statements, these financial statements /financial information are not material to the Group.

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 the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies and associate companies incorporated in India, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 of the aforesaid consolidated financial statements.
 - b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the audit report of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, 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) On the basis of written representations received from the directors of the Holding Company as on 31 March, 2015, taken on record by the Board of Directors holding company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group Companies and Its associate companies are disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated financial statements - Refer Note 2.29 to the consolidated financial statements ;
 - ii. The Group and its associate Companies did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate Companies.

For P.V.Page & Co.
CHARTERED ACCOUNTANTS

Prakash V. Page
PARTNER
M. no.30560
FRN-107243W

Place: Mumbai
Date: August 05, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT
(REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND
REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

Our reporting on the Order includes subsidiary companies incorporated in India on which the auditors have reported on in accordance with the Order. Our report in respect of these subsidiaries is based solely on the reports of their auditors.

- I. In respect of the fixed assets of the Company and its aforesaid subsidiaries:
 - a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b) The respective entities have a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- II. In respect of its inventories of the Company and its aforesaid subsidiaries:
 - a) As explained to us, the Management physically verified the inventories of Study Material Books and Education Material during the year.
 - b) According to the information given to us and based on the review of systems and procedures for physical verification, in our opinion system and procedure for physical verification needs to be improved.
 - c) In our opinion and according to the information and explanations given to us, the inventory record maintenance system needs to be strengthened. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- III. In our opinion and according to the information and explanations given to us, the holding company and its subsidiaries have neither granted nor taken any loans, secured or unsecured to/from companies, firms, or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the entities and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods. We have not noted any continuing failure to correct major weakness in the internal controls during the course of the audit.
- V. The holding company and its subsidiaries have not accepted any deposit from public.
- VI. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Holding Company and its subsidiaries.
- VII. a. The holding company and its subsidiary are regular in depositing with appropriate authority undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income tax, Wealth Tax, Service tax, Cess and other material Statutory dues applicable to it. According to the information and explanation given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there are no statutory dues which are unpaid as of 31st March, 2015.
 - c. According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- VIII. The holding company is registered for a period of more than five years. Further, the holding company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year immediately preceding such financial year.

- IX. The holding company and its subsidiaries do not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- X. In our opinion and according to the information and the explanations given to us, the holding company and its subsidiaries have not given any guarantee for loans taken by others from banks or financial institutions.
- XI. The holding company and its subsidiaries do not have any term loans outstanding during the year.
- XII. According to the information and explanations given to us, no material fraud on or by the holding company and its subsidiaries have been noticed or reported during the course of our audit.

For P.V.Page & Co.
CHARTERED ACCOUNTANTS

Prakash V. Page
PARTNER
M. no.30560
FRN-107243W

Place: Mumbai
Date: August 05, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

(In Rupees Lacs)

Particulars		Note No.	Figures as at 31st March 2015	Figures as at 31st March 2014
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a)	Share capital	2.1	808.02	808.02
(b)	Reserves and surplus	2.2	19,900.58	17,101.82
(c)	Money received against share warrants		-	-
2 Share application money pending allotment				
3 Non-current liabilities				
(a)	Long-term borrowings		-	-
(b)	Deferred tax liabilities (Net)	2.3	63.55	88.07
(c)	Other Long-term liabilities	2.4	575.90	546.88
(d)	Long-term provisions	2.5	300.58	236.01
4 Current liabilities				
(a)	Short-term borrowings		-	-
(b)	Trade payables	2.6	3,538.19	3,152.46
(c)	Other current liabilities	2.7	1,019.85	1,144.42
(d)	Short-term provisions	2.8	9,027.74	7,648.20
TOTAL			35,234.41	30,725.88
II. ASSETS				
1 Non-current assets				
(a)	Fixed assets	2.9		
(i)	Tangible assets		3,732.28	3,748.12
(ii)	Intangible assets		75.71	74.50
(iii)	Capital work-in-progress		6.15	-
(iv)	Intangible assets under development		-	-
(b)	Non-current investments	2.10	1,573.96	1,266.05
(c)	Deferred tax assets (net)		-	-
(d)	Long-term loans and advances	2.11	9,302.14	7,853.96
(e)	Other non-current assets		-	-
2 Current assets				
(a)	Current investments		-	-
(b)	Inventories	2.12	545.57	13.19
(c)	Trade receivables	2.13	2,135.30	2,553.39
(d)	Cash and cash equivalents	2.14	16,549.20	14,137.32
(e)	Short-term loans and advances	2.15	-	3.06
(f)	Other current assets	2.16	1,314.10	1,076.29
TOTAL			35,234.41	30,725.88

Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For P.V. Page & Co.
Chartered Accountants

Prakash V. Page
Partner

Place: Mumbai, INDIA
Date: August 05, 2015

Anant Sardeshmukh
Director
DIN: 00383994

Manoj Narvekar
Chief Financial Officer
M.No: ACA 048254

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Place: Mumbai, INDIA
Date: August 05, 2015

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS 5186

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31st March 2015	Figures as at 31st March 2014
I. Revenue from operations	2.17	13,808.36	15,504.80
II. Other income	2.18	2,121.70	1,325.12
III. Total Revenue (I + II)		15,930.06	16,829.92
IV. Expenses			
Expenses on courses & programs	2.19	7,295.54	6,649.18
Purchases of Stock-in-Trade		1,421.40	870.36
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(532.38)	173.77
Employee benefits expense	2.20	2,202.82	1,921.39
Depreciation and amortization expense	2.9	247.25	252.30
Other expenses	2.21	1,133.01	1,746.41
Total expenses		11,767.63	11,613.41
V. Profit before exceptional and extraordinary items and tax (III-IV)		4,162.43	5,216.51
VI. Exceptional items	2.31	55.98	-
VII. Profit before extraordinary items and tax (V - VI)		4,106.45	5,216.51
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		4,106.45	5,216.51
ADD: Share in Profit/(Loss) of Associates		307.92	591.27
X Tax expense:			
(1) Current tax		1,335.00	1,850.00
(2) Deferred tax		(24.52)	10.76
XI Profit (Loss) for the period from continuing operations (IX-X)		3,103.89	3,947.02
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		3,103.89	3,947.02
XVI Earnings per equity share:			
(1) Basic	2.22	38.41	48.85
(2) Diluted	2.22	38.41	48.85

Significant Accounting Policies
The accompanying notes form an integral part of the Financial Statements.

As per our report attached

For P.V. Page & Co.
Chartered Accountants

Prakash V. Page
Partner

Place: Mumbai, INDIA
Date: August 05, 2015

Anant Sardeshmukh
Director
DIN: 00383994

Manoj Narvekar
Chief Financial Officer
M.No: ACA 048254

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Komal Chaulai
Company Secretary & Head-Legal Affairs
FCS 5186

Place: Mumbai, INDIA
Date: August 05, 2015

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH,
2015**

(AS PER SCHEDULE III TO THE COMPANIES ACT, 2013)

(In Rupees Lacs)

Particulars	Figures as at 31st March 2015	Figures as at 31st March 2014
A. Cash flows from operating activities		
Net profit before tax	4,106.45	5,216.51
Adjustments for:		
Depreciation	247.25	252.30
Interest income	(1,081.92)	(1,143.65)
Dividend & Other income	(375.31)	(181.47)
Loss on Sale of Mutual Funds (Net)	-	-
Operating profit before working capital changes	2,896.47	4,143.69
Adjustments for:		
Sundry debtors and other receivables	197.09	190.80
Inventories	(532.37)	173.78
Current Liabilities and Provision for expenses	441.66	(559.08)
Cash generated from operations	3,002.85	3,949.19
Income taxes paid (net of refunds, if any)	(1,496.24)	(1,920.71)
Net cash from operating activities	1,506.61	2,028.48
B. Cash flows from investing activities		
Purchase of fixed assets	(349.95)	(94.46)
Investments in Haryana Knowledge Corporation Limited	-	(60.00)
Share in Profit / (Loss) of Associates	307.92	591.27
Increase in Investments	(307.92)	(591.27)
Interest income	1,081.92	1,143.65
Dividend & Other income	375.31	181.47
Net cash used for investing activities	1,107.28	1,170.66
C. Cash flows from financing activities		
Dividends paid	(202.00)	(202.00)
Net cash from financing activities	(202.00)	(202.00)
Net increase in cash and cash equivalents (A + B + C)	2,411.89	2,997.14
Cash and cash equivalents at beginning of period	14,137.32	11,140.18
Cash and cash equivalents at end of period	16,549.21	14,137.32

As per our report attached

For P.V. Page & Co.
Chartered Accountants

Prakash V. Page
Partner

Place: Mumbai, INDIA
Date: August 05, 2015

Anant Sardeshmukh
Director
DIN: 00383994

Manoj Narvekar
Chief Financial Officer
M.No: ACA 048254

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS 5186

Place: Mumbai, INDIA
Date: August 05, 2015

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Consolidation:

- a. The Consolidated Financial Statements (“CFS”) relate to Maharashtra Knowledge Corporation Limited (“the Company” or “the Parent Company”) and its Indian subsidiary namely MKCL Knowledge Foundation and with its Indian Associate Companies namely Rajasthan Knowledge Corporation Limited, Haryana Knowledge Corporation Limited and Odisha Knowledge Corporation Limited collective referred to as “the Group”.
- b. The CFS has been prepared in accordance with the Accounting Standard (AS) 21 “Consolidated Financial Statements”, and Accounting Standard (AS) 23 “Accounting for investments in Associates in Consolidated Financial Statements” issued by the institute of Chartered Accountants of India.

B. Principles of Consolidation:

- a. The financial statements of the Company, its Indian subsidiary Company has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances/transactions and unrealized profits or losses.
- b. Investments in associate companies in which the Company has significant influence but not a controlling interest, are reported according to the equity method. The carrying amount of the investment is adjusted for the post acquisition change in the group’s share of net assets of the investee. The Consolidated Statement of Profit and Loss includes the Company’s share of the results of the operations of the investee.

I. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The accompanying financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India, under historical cost convention and on the accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (“ICAI”) and the provisions of the Companies Act, 2013.

II. USE OF ESTIMATES

The preparation of financial statement in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/materialized.

III. REVENUE RECOGNITION

a. Income from Programs

Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program (KLSDP)

During the year the company changed the name of its erstwhile program which was by the name Educational Business Development Program (Edu-BDP) to Knowledge Lit Skill Development Program (KLSDP). Course Fees from the MS-CIT course primarily consist of revenue accrued based upon number of learners registered on web-based SOLAR application of the Company during the current accounting period.

Exam Fees and Re-exam Fees from the MS-CIT course are recognized on the basis of learners registered on web-based SOLAR application.

National Strategic Business Partnership Development Program (NSB-PDP)/Nationwide Business Development Program (N-BDP)

During the year the company changed the name of its erstwhile program which was by the name National

Strategic Business Partnership Development Program (NSB-PDP) to Nationwide Business Development Program (N-BDP). Revenue from Nationwide Business Development Program (N-BDP) is recognized on learners count as confirmed on web-based SOLAR application of the company.

Network Partnerships Management Program (NP-MP)

Renewal Fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

Digital University - Business Development Program (DU-BDP)

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web - based Digital University application.

OASIS Business Development Program (OASIS-BDP)

Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web - based OASIS application.

International Business Development Program (INT-BDP)

Income is recognized on accrual basis and 100% royalty income is booked on admission confirmation.

b. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income from investments in liquid rate funds is recognized upon receipt of income from the respective fund.

IV. EXPENDITURE

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Charges relating to non-cancelable long-term operating lease are computed on the basis of lease rentals payable as per the relevant lease agreement and recognized as expense.

V. FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost for the purpose includes cost of acquisition, installation, duties and taxes, and other incidental expenses incurred during acquisition, construction or installation of fixed assets. Computers include software purchased. Land acquired on lease for 99 years or less is treated as leasehold land.

VI. DEPRECIATION

As per the Schedule II Part-C of the Companies Act, 2013 the depreciation on tangible assets has to be re-computed based on the useful life of the assets as prescribed. Based on which the difference between the revised carrying amount of assets as on 1st of April, 2014 and the carrying amount of the assets as per earlier method as on 1st April, 2014 is depreciated over the remaining useful life of the said assets.

Where the useful life of an asset is NIL as on 1st April, 2014 the difference between the W.D.V as per the earlier method and the W.D.V after retaining the residual value as per the revised calculation based on useful life is recognized in the opening balance of retained earnings. The effect of this adjustment is of Rs.111.19 Lacs which is reduced from the retained earnings.

Cost of leasehold land for 99 years or less is amortized over the remaining lease period.

Individual assets acquired for less than Rs.5,000/- are directly expensed out to Statement of Profit and Loss in the year of acquisition.

VII. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.

Foreign exchange gain or loss, resulting on account of reinstatement of monetary items on the date of balance sheet using exchange rate as on the date of Balance Sheet is recognized as income or expense for the period.

Exchange differences arising on the company's net investment in foreign subsidiary being a non-integral foreign operation are accumulated in a Foreign Currency Translation Reserve until the disposal of such investment, at which time they are recognized as income or as expense.

VIII. EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

The company contributes to a Provident Fund, which is a defined contribution plan, and is charged to Statement of Profit and Loss.

The Company provided for gratuity, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of Profit and Loss as income or expense.

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date.

IX. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Related Party disclosures have been set out in the following statement. The related parties, as defined by Accounting Standard 18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons and taken on record by the Board.

(In Rupees Lacs)

Sr. No.	Particulars	Year Ended March 31, 2015	Year Ended March 31, 2014
1	Investments		
	- Rajasthan Knowledge Corporation Limited	60.00	60.00
	- Odisha Knowledge Corporation Limited	60.00	60.00
	- Haryana Knowledge Corporation Limited	60.00	60.00
	- MKCL International FZE	18.81	18.81
	- MKCL Knowledge Foundation	200.00	-
2	Expenses		
	- Incurred on behalf of MKCL International FZE	18.77	23.84
	- Incurred on behalf of Rajasthan Knowledge Corporation Ltd. (net)	1.05	0.90
	- Incurred on behalf of Odisha Knowledge Corporation Ltd. (net)	1.24	1.47
	- Incurred on behalf of Haryana Knowledge Corporation Ltd.(net)	(0.91)	6.12
	- Incurred on behalf of MKCL Knowledge Foundation (net)	5.56	-
	- Incurred on behalf of Maharashtra Knowledge Foundation	16.71	-
	- Incurred on behalf of Maharashtra Knowledge Foundation-(Donation)	90.00	500.00
3	Income		
	- Sale of books to Rajasthan Knowledge Corporation Limited	210.00	647.00
	- For other service charges to Rajasthan Knowledge Corporation Limited	419.22	1393.97
	- Dividend Received from Rajasthan Knowledge Corporation Limited	18.00	15.00
	- Sale of books to Odisha Knowledge Corporation Ltd.	120.00	-
	- For other service charges to Odisha Knowledge Corporation Ltd.	322.95	113.84
	- Sale of books to Haryana Knowledge Corporation Ltd.	20.00	0.70
	- For other service charges to Haryana Knowledge Corporation Ltd.	78.83	63.75
	- Royalty and Other from MKCL International FZE	253.02	614.83
4	Receivable		
	- Rajasthan Knowledge Corporation Ltd.	10.05	84.89
	- Odisha Knowledge Corporation Ltd.	116.63	138.80
	- MKCL International FZE	267.87	631.86
	- Haryana Knowledge Corporation Ltd.	26.98	70.57
	- Maharashtra Knowledge Foundation	3.65	-

Names of related parties and description of relationship -

1. Rajasthan Knowledge Corporation Limited - Joint Venture
2. Odisha Knowledge Corporation Limited - Joint Venture
3. Haryana Knowledge Corporation Limited - Joint Venture
4. MKCL International FZE - Subsidiary Company
5. MKCL Knowledge Foundation - Subsidiary Company
6. Maharashtra Knowledge Foundation - Charitable Trust

X. TAXES ON INCOME

Tax expenses for the year comprise of current tax and deferred tax.

Current taxes are measured, at the amounts expected to be paid in respect of taxable income for the period, using the applicable tax rates and tax laws.

Deferred Tax Liability is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred Tax Assets is recognized only when it is certain that there is sufficient future income against which such deferred tax asset can be realized.

For **P.V. Page & Co.**
Chartered Accountants

For and on behalf of the Board
Maharashtra Knowledge Corporation Ltd.

Prakash V. Page
Partner

Anant Sardeshmukh
Director
DIN: 00383994

Vivek Sawant
Managing Director & CEO
DIN: 00002285

Place: Mumbai, INDIA
Date: August 05, 2015

Manoj Narvekar
Chief Financial Officer
M.No: ACA 048254

Komal Chaubal
Company Secretary & Head-Legal Affairs
FCS 5186

Place: Mumbai, INDIA
Date: August 05, 2015

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH, 2015**

NOTE NO 2.1

SHARE CAPITAL

(In Rupees Lacs)

Particulars	As at 31st March 2015		As at 31st March 2014	
	Number	Rupees	Number	Rupees
Authorised Share Capital				
Equity Shares of Rs. 10 each	20,000,000	2,000.00	20,000,000	2,000.00
Issued, Subscribed & Paid Up Share Capital				
Equity Shares of Rs. 10 each, fully Paid Up	8,080,195	808.02	8,080,195	808.02
Total	8,080,195	808.02	8,080,195	808.02

SHARE HOLDING PATTERN

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Total Paid Up Capital	No. of Shares held	% of Total Paid Up Capital
Department of Higher & Technical Education, Government of Maharashtra	3,000,000	37.13	3,000,000	37.13
10 Universities	2,740,000	33.91	2,740,000	33.91
Others	2,340,195	28.96	2,340,195	28.96
Total	8,080,195	100.00	8,080,195	100.00

NOTE NO 2.2

RESERVES AND SURPLUS

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
General Reserve Account		
Opening Balance	5,000.00	4,600.00
(+) Current Year Transfer	300.00	400.00
Closing Balance	5,300.00	5,000.00
Foreign Currency Translation Reserve		
Opening Balance	6.22	3.69
(+) Current Year Transfer	0.67	2.54
(-) Written Back in Current Year	-	-
Closing Balance	6.89	6.23
Surplus		
Opening balance	12,095.58	8,787.44
Depreciation Amount Adjusted on Assets whose useful Life is Nil	(111.19)	-
(+) Surplus For the current year	3,103.88	3,947.01
Total Allocable Surplus - (A)	15,088.27	12,734.45
Allocations & Appropriations		
(-) Transfer to Foreign Currency Translation Reserve	0.67	2.54
(-) Transfer to Reserves	300.00	400.00
(-) Proposed Dividends	161.60	202.00
(-) Tax on Dividends	32.31	34.33
(-) Interim Dividends	-	-
Total Allocations & Appropriations -(B)	494.58	638.87
Closing Balance (A-B)	14,593.69	12,095.58
Total	19,900.58	17,101.81

NOTE NO 2.3

DEFERRED TAX LIABILITIES (NET)

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Deffered Tax Liability		
Opening Balance	120.81	77.32
Transfer during the year	(18.32)	43.49
Total	102.49	120.81
Deferred Tax Asset		
Opening Balance	32.73	32.74
Transfer during the year	6.21	-
Total	38.94	32.74
Total	63.55	88.07

NOTE NO 2.4

OTHER LONG TERM LIABILITIES

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Trade Payables		
(b) Others	-	-
Study Material Deposit	320.28	327.17
Performance Guarantee Money & Retention	21.12	15.12
Security Deposits	234.50	204.60
Total	575.90	546.88

NOTE NO 2.5

LONG-TERM PROVISIONS

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Provision for employee benefits		
Leave Encashment	285.80	221.22
(b) Others	14.78	14.78
Total	300.58	236.01

NOTE NO 2.6**TRADE PAYABLES**

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Liability towards Network Partners	2,358.46	2,060.08
Creditors for Material & Services	1,168.51	1,027.14
Payable to University	11.22	65.24
Total	3,538.19	3,152.46

NOTE NO 2.7**OTHER CURRENT LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
a) Unclaimed Dividend	4.44	3.64
Tax Deducted at Source	82.27	85.28
Service Tax	0.34	-
Tax on Works Contracts under MVAT	0.60	-
Professional Tax	0.51	-
b) Others		
Common Marketing Contribution	471.40	378.91
Other Liabilities	460.29	676.59
Total	1,019.85	1,144.42

NOTE NO 2.8**SHORT TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
(a) Provision for employee benefits		
Salary & Reimbursements	22.72	10.07
Contribution to ESIC	0.23	0.23
Contribution to Provident Fund	29.01	21.27
Provision for Performance Linked Awards	350.00	300.00
Employee Advance	0.35	0.93
Director's Remuneration	1.72	
(b) Others		
Provision for Corporate Income Tax (A.Y. 10-11)	1,069.37	1,069.37
Provision for Corporate Income Tax (A.Y. 11-12)	1,025.00	1,025.00
Provision for Corporate Income Tax (A.Y. 12-13)	1,365.00	1,365.00
Provision for Corporate Income Tax (A.Y. 13-14)	1,770.00	1,770.00
Provision for Corporate Income Tax (A.Y. 14-15)	1,850.00	1,850.00
Provision for Corporate Income Tax (A.Y. 15-16)	1,335.00	-
Provision for Proposed Dividend	161.60	202.00
Corporate Dividend Tax Payable	32.31	34.33
VAT Payable (F.Y. 12-13)	9.90	-
VAT Payable (F.Y. 14-15)	5.53	-
Total	9,027.74	7,648.20

NOTE NO 2.9 FIXED ASSETS

(In Rupees Lacs)

Sr. No.	Particulars	Gross Block						Accumulated Depreciation						Net Block		
		Balance as at 1 April 2014	Additions	Deletion / Transfers	Revaluations/ (Impairments)	Balance as at 31st March 2015	Balance as at 1 April 2014	Depreciation Amount Adjusted on Assets whose useful Life is Nil--- on 01-04-14	Adjusted Opening Balance of Accumulated Depreciation	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2015	Balance as at 31st March 2014		
a	Tangible Assets															
	Land	40.87	-	-	-	40.87	-	-	-	-	-	-	-	-	40.87	40.87
	Lease Hold Land	1,684.26	-	-	-	1,684.26	34.82	34.82	31.38	-	-	66.20	66.20	-	1,618.05	1,649.44
	Office Premises	2,092.66	3.50	-	-	2,096.16	400.30	400.30	82.27	-	-	482.58	482.58	-	1,613.59	1,692.36
	Plant and Machinery	1.04	-	-	-	1.04	1.04	1.04	-	-	-	1.04	1.04	-	-	-
	Furniture and Fixtures	342.77	93.70	-	-	436.47	191.61	193.04	52.35	-	-	245.39	245.39	-	191.08	151.15
	Office Equipment and Appliances	273.50	70.01	-	-	343.51	193.89	242.91	18.76	-	-	261.67	261.67	-	81.84	79.61
	Computer Hardware	453.74	65.14	-	-	518.88	408.10	466.67	-13.74	-	-	452.92	452.92	-	65.96	45.64
	Electrical Fittings	128.95	46.78	-	-	175.73	65.86	66.93	33.15	-	-	100.09	100.09	-	75.64	63.09
	Air Conditioner	51.54	31.36	-	-	82.90	28.86	29.97	10.33	-	-	40.29	40.29	-	42.61	22.68
	Solar Panels Power Generation Plant	6.46	-	-	-	6.46	3.16	3.16	0.66	-	-	3.81	3.81	-	2.64	3.30
	Total - a	5,075.77	310.50	-	-	5,386.27	1,327.64	1,438.84	215.16	-	-	1,653.99	1,653.99	-	3,732.28	3,748.12
b	Intangible Assets															
	Computer software	380.06	33.30	-	-	413.36	305.55	305.55	32.10	-	-	337.65	337.65	-	75.71	74.50
	Total - b	380.06	33.30	-	-	413.36	305.55	305.55	32.10	-	-	337.65	337.65	-	75.71	74.50
c	Capital Work In Progress															
	Capital Work In Progress	-	6.15	-	-	6.15	-	-	-	-	-	-	-	-	6.15	-
	Total - c	-	6.15	-	-	6.15	-	-	-	-	-	-	-	-	6.15	-
	Total - a + b	5,455.82	349.95	-	-	5,805.78	1,633.20	1,744.39	247.25	-	-	1,991.64	1,991.64	-	3,814.14	3,822.63
	Previous Period	5,361.37	94.46	-	-	5,455.82	1,380.90		252.30	-	-	1,633.20	1,633.20	-	3,822.63	

NOTE NO 2.10**NON-CURRENT INVESTMENTS****(In Rupees Lacs)**

Particulars		As at 31st March 2015	As at 31st March 2014
A	Trade Investments		
	(a) Investment in Equity instruments		
	- MKCL International FZE 1 Share @ Rs.18,80,816/-	18.81	18.81
	- Rajasthan Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	1,352.00	1,079.30
	- Odisha Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	163.50	107.35
	- Haryana Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	39.65	60.58
	Total	1,573.96	1,266.05

NOTE NO 2.11**LONG TERM LOANS & ADVANCES****(In Rupees Lacs)**

Particulars		As at 31st March 2015	As at 31st March 2014
a.	Capital Advances	-	-
b.	Security Deposits		
	Unsecured, considered good	84.47	100.90
c.	Corporate Income Tax		
	Corporate Income Tax Paid (A.Y. 10-11)	1,077.72	1,077.72
	Corporate Income Tax Paid (A.Y. 11-12)	999.89	999.88
	Corporate Income Tax Paid (A.Y. 12-13)	1,370.81	1,370.81
	Corporate Income Tax Paid (A.Y. 13-14)	1,786.32	1,786.32
	Corporate Income Tax Paid (A.Y. 14-15)	1,887.66	1,874.36
	Corporate Income Tax Paid (A.Y. 15-16)	1,478.71	-
	Refund Receivable-Corporate Tax (A.Y. 07-08)	2.73	2.73
	Refund Receivable-Corporate Tax (A.Y. 08-09)	13.52	13.52
d.	VAT Refund Receivable		
	VAT Refund Receivable (F.Y. 09-10)	0.03	7.95
	VAT Refund Receivable (F.Y. 10-11)	7.03	15.59
	VAT Refund Receivable (F.Y. 11-12)	0.59	6.17
	VAT Refund Receivable (F.Y. 12-13)	-	6.96
	VAT Refund Receivable (F.Y. 13-14)	-	1.06
	VAT Refund Receivable (F.Y. 14-15)	-	-
	Tax on Works Contracts under MVAT	-	-
e.	Others-Unsecured, considered good		
	Advance to BSNL	590.00	590.00
	Advance to BARC	2.66	-
	Total	9,302.14	7,853.96

NOTE NO 2.12

INVENTORIES

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
a. Stock-in-trade - At Cost (As certified by the Management)		
Inventory of Books	535.27	1.74
Inventory of Educational Material	0.40	1.55
Inventory of Sugarcane Planters	9.70	9.70
Inventory of Contour Markers	0.20	0.20
Total	545.57	13.19

INVENTORY AND QUANTITATIVE DETAILS

Inventory includes set of Study Materials and Project Materials. These stocks are valued at Cost or Fair Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company. Cost is arrived at by applying Weighted Average Formula.

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issues Quantity (Nos)	Closing Quantity (Nos)
Books	2,321	1,400,155	768,805	633,671
Educational Material	138	-	90	48
Contour Markers	8	-	-	8
Sugarcane Planters	10	-	-	10

NOTE NO 2.13

TRADE RECEIVABLES

(In Rupees Lacs)

Particulars	As at 31st March 2015	As at 31st March 2014
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	1,076.57	711.56
Others	1,058.73	1,841.83
Total	2,135.30	2,553.39

NOTE NO 2.14**CASH & CASH EQUIVALENTS****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
a. Balances with banks	2,482.87	1,108.78
b. Cash in hand	2.48	1.02
c. Liquid Rate Income Fund	450.13	1,060.45
d. Others-Fixed Deposit	13,613.72	11,967.06
Total	16,549.20	14,137.32

OTHER DISCLOSURES RELATED TO CASH AND CASH EQUIVALENTS**(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
Earmarked balances with banks (Unpaid Dividends)	5.28	4.22
Balances with banks to the extent held against performance bank guarantees	26.32	11.51
Bank deposits with more than 12 months maturity	6,619.91	7,294.84

NOTE NO 2.15**SHORT TERM LOANS & ADVANCES****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
a) Others (specify nature)		
Service Tax Paid	-	3.06
Total	-	3.06

NOTE NO 2.16**OTHER CURRENT ASSETS****(In Rupees Lacs)**

Particulars	As at 31st March 2015	As at 31st March 2014
Prepaid Expenses	40.39	35.90
Accrued Interest on Fixed Deposits	1,268.21	1,035.29
Others	5.50	5.10
Total	1,314.10	1,076.29

NOTE NO 2.17 REVENUE FROM OPERATIONS

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
I. Sale of products	351.04	681.71
II. Sale of services		
Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program (KLSDP)		
Revenue from MS-CIT course	8,547.25	8,292.90
Revenue from Other courses	523.33	252.41
	9,070.58	8,545.31
National Strategic Business Partnership Development Program (NSB-PDP)/Nationwide Business Development Program (N-BDP)	740.09	1,336.16
Network Partnership Management Program (NP-MP) Registration/Renewal/Processing/Annual/LMS License Fees	206.21	337.96
Digital University- Business Development Program (DU-BDP)	1,037.69	942.96
OASIS-Business Development Program (OASIS-BDP)		
Online Admissions	655.75	905.09
Recruitment Projects	1,257.45	1,956.74
	1,913.20	2,861.82
eGovernance-Business Development Program (eGov-BDP)		
Design & Development of Digital MLS	67.74	89.71
eTendering Services & Others	134.81	74.75
	202.55	164.46
Educational eGovernance Business Development Program (Edu-eGov BDP)	25.81	-
MKCL Finishing Schools (MFS) Program	8.17	10.80
Excellence & Talent Nurturance Program (Excel-TNP)	-	10.49
International Business Development Program (INT-BDP)	253.02	613.13
Total	13,808.36	15,504.80

NOTE NO 2.18 OTHER INCOME

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Interest Income (On deposits with banks)	1,081.92	1,143.65
Dividend from Subsidiary company	76.82	-
Dividend Income	318.64	103.98
Gain/(Loss) on foreign currency	(11.87)	(0.57)
Other non-operating income (net of expenses directly attributable to such income)	56.67	78.06
Old Balances Written Back	599.53	-
Total	2,121.70	1,325.12

NOTE NO 2.19**EXPENSES ON COURSES & PROGRAMS**

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program (KLSDP)		
Share, Exam/Re-Exam Fees, Content Development	4,724.64	4,343.80
Advertisement & Sales Promotion	592.22	420.17
Course Material Related Expenses	564.09	376.06
Expenses on Other Courses	230.49	117.27
	6,111.44	5,257.30
National Strategic Business Partnership Development Program (NSB-PDP)/Nationwide Business Development Program (N-BDP)	92.58	230.69
Network Partnership Management Program (NP-MP)	336.06	248.83
Digital University- Business Development Program (DU-BDP)	259.48	257.32
OASIS-Business Development Program (OASIS-BDP)		
Online Admissions	65.26	93.84
Recruitment Projects	339.82	443.16
	405.08	537.00
eGovernance-Business Development Program (eGov-BDP)	5.89	6.63
MKCL Finishing Schools (MFS) Program	55.47	22.20
Excellence & Talent Nurturance Program (Excel-TNP)	-	59.32
International Business Development Program (INT-BDP)	29.54	29.89
Total	7,295.54	6,649.18

NOTE NO 2.20**EMPLOYEE BENEFIT EXPENSES**

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
(a) Salaries	1,996.18	1,762.34
(b) Contributions to -		
(i) Provident fund	142.03	111.64
(ii) Gratuity fund	54.48	39.36
(c) Staff welfare expense	10.13	8.06
Total	2,202.82	1,921.39

NOTE NO 2.21

OTHER EXPENSES

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Advertisement/Sales Promotion expenses	3.82	20.20
Education Promotion Teaching and Development Expenses	102.10	114.55
Auditors Remuneration incl. out of pocket expenses	21.28	17.74
Bank Charges	0.68	0.46
Communication Expenses	43.78	56.02
Donations	92.00	500.00
Electricity charges	79.41	70.07
Taxes with Interest	8.01	3.99
Legal, Professional & Consultancy Charges	93.05	98.63
Maintenance of Offices & Building	123.08	119.97
Meeting Expenses	29.44	17.67
Old Balances Written Off	0.55	1.44
Printing and Stationary	10.54	12.27
Rent Rates Taxes and Insurance	184.19	184.63
Repairs and Maintenance	40.81	54.39
Recruitment Expenses	32.96	2.72
Traveling and Conveyance	58.91	55.13
Website hosting and registration expenses	44.51	56.70
Miscellaneous Expenses	24.48	24.68
Bad Debts	139.41	335.15
Total	1,133.01	1,746.41

NOTE NO 2.22

EARNING PER EQUITY SHARE

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Net Profit attributable to equity shareholders	3,103.88	3,947.02
Weighted average number of equity shares outstanding	8,080,195	8,080,195
Earnings Per Share Basic & Diluted (Rs.)	38.41	48.85

NOTE NO 2.23**EARNING IN FOREIGN EXCHANGE****(In Rupees Lacs)**

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Royalty and other income from MKCL International FZE	253.02	614.83
Total	253.02	614.83

NOTE NO 2.24**EXPENSES IN FOREIGN EXCHANGE****(In Rupees Lacs)**

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Foreign Travel Expenses	0.62	2.99
On Software Services	-	3.48
Total	0.62	6.47

NOTE NO 2.25**DIRECTORS REMUNERATION****(In Rupees Lacs)**

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Salary	18.45	15.40
Performance linked awards	6.14	6.02
Other Allowances	11.25	9.48
Contributions to PF	2.21	1.85
Perquisites	8.50	8.22
Gratuity	0.77	0.64
Total	47.32	41.61

NOTE NO 2.26

PAYMENT TO THE AUDITORS

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
As :		
a) Auditors	18.09	16.85
b) For Taxation Audit	1.69	1.69
c) For Taxation matters	1.99	1.99
d) Certification & Consultation fees	1.17	1.41
e) For Reimbursement of Expenses	0.15	0.15
Total	23.09	22.09

NOTE NO 2.27

OBLIGATIONS OF LONG-TERM NON-CANCELABLE OPERATING LEASES

The lease rentals charged during the period and maximum obligations on long-term non-cancelable operating leases payable as per the rentals stated in the respective agreement are as follows:

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Lease Rental recognized during the year		
Mumbai Office	6.30	6.30
Pune Offices and Guest House	158.93	160.01
Lucknow Office	6.07	7.35
Vashi Office	-	5.81
Total of Lease on Office premises	171.30	179.47
Lease Obligations payable		
Not later than one year of the Balance Sheet date	162.62	160.78
Later than one year and not later than five years	271.77	433.25
Later than five years	-	-

NOTE NO 2.28

**CONSOLIDATED SEGMENT REPORTING
REPORTABLE SEGMENT**

Educational Business Development Program (Edu-BDP)/Knowledge Lit Skill Development Program(KLSDP), OASIS- BDP & DU-BDP are identified as reportable Primary segments on the basis of Business Segment as defined in Accounting Standard 17 - Segment Reporting issued by Institute of Chartered Accountants of India, since revenue from these activities constitutes more than 75% of the total revenue of the Company.

(In Rupees) (Rs. In Lakhs)

Particulars	For the period ended 31st March 2015					For the period ended 31st March 2014				Total												
	PRIMARY SEGMENT			Total PRIMARY SEGMENT	Other	Total	PRIMARY SEGMENT				Total PRIMARY SEGMENT											
	Edu- BDP	OASIS- BDP	DU-BDP				Edu-BDP	OASIS- BDP	DU- BDP													
Revenue																						
Revenue from Business Development Program	9,070.58	1,913.19	1,037.69	12,021.47	1,786.88	13,808.36	8,556.11	2,861.84	942.96	12,360.91	3,143.89	15,504.80										
Other Income						2,121.70						1,325.12										
Total Revenue						15,930.06						16,829.92										
Expenses																						
Direct expenses attributable to Business Development Program	6,733.91	405.08	259.48	7,398.47	786.09	8,184.57	5,846.52	537.00	257.32	6,640.84	1,052.48	7,693.31										
Other Allocable Expenses	1,511.88	339.50	291.77	2,143.14	658.59	2,801.73	1,208.00	483.03	351.96	2,042.99	659.07	2,702.05										
Unallocable Expenses						837.32						1,218.05										
Total Expenses						11,823.62						11,613.41										
Profit Before Tax excluding share in profit of Associates						4,106.44						5,216.51										

NOTE NO 2.29

CONTINGENT LIABILITIES

(In Rupees Lacs)

Particulars	For the year ended 31st March 2015	For the year ended 31st March 2014
Outstanding Bank Guarantees for		
- Performance guarantee for services given	26.32	11.51
Total Contingent Liabilities	26.32	11.51

- 1 Performance bank guarantees aggregating to Rs.590 lacs were invoked by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company has challenged the action of M/s. BSNL by invoking appropriate legal recourse. Arbitration proceeding in this matter has been initiated as per the order of Honorable Civil Court, Pune. The Company has filed a Special Civil Suit on 10th April, 2012 in the Honorable Court of Pune against M/s. WICENeT Ltd. regarding the counter Indemnity Bond given by M/s WICENeT Ltd to Maharashtra Knowledge Corporation Ltd. in respect of the Performance Bank Guarantee given by Maharashtra Knowledge Corporation Ltd. to M/s. BSNL, which is invoked. The total claim amount in the said suit is Rs.583 lakhs.
- 2 Bank Guarantee for Security deposit of Rs.2.66 Lacs issued to Department of Atomic Energy, Government of India was invoked on 20.02.2015.
- 3 The Company has gone into appeal against the 143(3) order issued by the Income Tax Department for F.Y. 2009-2010 i.e. for A. Y 2010-2011. The Income Tax demand raised in the 143 (3) order of Rs. 14.27 lakhs, against this the company has already paid Rs.7.00 lakhs, as a pre-requisite for going into appeal. Appeal order has been passed but the final liability is yet to be ascertained by the assessing officers so the balance amount of demand of Income Tax of Rs.7.27 lakhs is of contingent nature..

NOTE NO 2.30

INVESTMENT IN LIQUID RATE INCOME FUND

Company has shown investment in Liquid Rate Income Fund under Cash and cash equivalents as the amounts lying in Liquid Rate Income Fund can be withdrawn / invested on, as and when required basis.

NOTE NO 2.31

EXCEPTIONAL ITEMS

- a) The company on getting its VAT registration effective from FY 09-10 onwards till FY 13-14 had claimed VAT set off on all our local purchases. As a result, company was showing VAT refund receivable from FY 09-10 till FY 13-14 after adjusting the VAT set off against the VAT payable in its financials. During the course of VAT assessment, our full claim of VAT set off on all our local purchases was not accepted by the Department. As a result the VAT refund receivable as shown in the Financials was readjusted to the extent available and the remaining portion was charged to Profit & Loss Account amounting to Rs.47.54 Lacs.
- b) The property tax on our Seawoods office pertaining to FY 13-14 amounting to Rs.8.44 Lacs was paid during the year on receipt of property tax bill.

NOTE NO 2.32

RECLASSIFICATION

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to requirement of Revised Schedule III format of Balance Sheet and Statement of Profit & Loss prescribed by the new Companies Act, 2013.

IN CONSOLIDATED FINANCIAL STATEMENTS, THE FOLLOWING SHALL BE DISCLOSED BY WAY OF ADDITIONAL INFORMATION

Name of the entity in the	For the year ended 31-3-15		For the year ended 31-3-15		For the year ended 31-3-14		For the year ended 31-3-14	
	Rs. In Lacs	Amount	As % of consolidated Profit or Loss	Share in Profit or loss	Amount	As % of consolidated net assets	Net assets i.e. total assets minus total liabilities	Share in Profit or loss
1	2	3	4	5	6	7	8	9

Parent Subsidiaries - Indian

1	MKCL Knowledge Foundation	100%	199.36	100%	(0.64)	NA	NIL	NA	NIL
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Parent Subsidiaries - Foreign

Name of the entity in the	For the year ended 31-3-15		For the year ended 31-3-15		For the year ended 31-3-14		For the year ended 31-3-14	
	Net assets i.e. total assets minus total liabilities	Amount	Share in Profit or loss	Net assets i.e. total assets minus total liabilities	Amount	As % of consolidated net assets	Net assets i.e. total assets minus total liabilities	Share in Profit or loss
1	2	3	4	5	6	7	8	9

Parents Associates-Indian

1	Rajasthan Knowledge Corporation Limited	-	-	30%	272.70	-	-	30%	509.76
2	Odisha Knowledge Corporation Limited	-	-	50%	56.15	-	-	50%	80.93
3	Haryana Knowledge Corporation Limited	-	-	30%	(20.93)	-	-	30%	0.58
Total					307.92				591.27

Consolidation done as per Equity Method

The Company has a 100% Foreign Subsidiary by the name MKCL International FZE in Hamriyah Free Zone, Sharjah, UAE.

Standalone Auditors Report along with financials statements for the year ended 31st March 2015 of this Company are presented.

As per the Ministry of Corporate Affairs notification dated 16th January 2015 excludes the provisions of Rule 6 of the Companies Act 2013 relating to Consolidation of Accounts to a Company having subsidiary or subsidiaries incorporated outside India for the financial year 14-15.

So the Company (MKCL) has not done the consolidation of its foreign subsidiary in this financial year.

INDEPENDENT AUDITORS' REPORT MKCL International (FZE)

To the shareholder of M/s. MKCL International (FZE), P.O. Box: 42283, Hamriyah Free Zone, Sharjah, United Arab Emirates.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. **MKCL International (FZE)**, Hamriyah Free Zone, Sharjah, United Arab Emirates, ("the Establishment") which comprise of the financial position as at 31st March, 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and as required by the provisions of the Emiri decree issued in November 12, 1995 for entities in Hamriyah Free Zone, Sharjah. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that is free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimate that are reasonable under the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing, to obtain reasonable assurance, 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 our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, auditor consider internal control relevant to the (FZE's) preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the (FZE's) internal control. An audit also includes evaluating the appropriateness of accounting principles used and reasonableness of accounting estimate made by management, as well as evaluating the overall presentation of the financial statements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of **M/s. MKCL International (FZE)**, Hamriyah Free Zone, Sharjah, United Arab Emirates as at 31st March, 2015, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on Other Legal and Regulatory Requirement

As required by the provisions of the Emiri decree issued on November 12, 1995 for the entities in Hamriyah Free Zone, Sharjah, we further confirm that.

1. We are not aware of any contraventions during the year of the above mentioned law or the (FZE's) Articles of Association, which may have material effect on the financial position of the (FZE) or the result of its operations for the year.

For Axis Auditing & Accounting

Auditors & Business Consultants
Redha Darwish Al Rahma

Reg. No. 368, Dubai, U.A.E
Date: 14th June, 2015

MKCL INTERNATIONAL (FZE)

HAMRIYAH FREE ZONE, SHARJAH, U.A.E.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015. STATEMENT OF FINANCIAL POSITION

Particulars	Note	2015 AED	2014 AED
Assets			
Non-Current Assets			
Investments	4	624,586	510,757
Current Assets			
Due from related parties	5	554,250	3,038,920
Cash and cash equivalents	6	7,319,021	6,527,627
Total Current Assets		7,873,271	9,566,547
Total Assets		8,497,857	10,077,304
Equity and Liabilities			
Equity			
Share capital	2	150,000	150,000
Retained earnings		6,770,204	6,131,559
Total Equity		6,920,204	6,281,559
Liabilities			
Current Liabilities			
Due to related party	7	1,567,081	3,792,745
Other payables	8	10,572	3,000
Total Liabilities		1,577,653	3,795,745
Total Equity and Liabilities		8,497,857	10,077,304

These financial statements have been approved and signed by the undersigned on 12th June, 2015

For MKCL International (FZE)

Authorized Signatory

MKCL INTERNATIONAL (FZE)

HAMRIYAH FREE ZONE, SHARJAH, U.A.E.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
STATEMENT OF COMPREHENSIVE INCOME

Particulars	Note	2015 AED	2014 AED
Administration expenses	9	(1,807,217)	(3,735,054)
Operating loss		(1,807,217)	(3,735,054)
Other income	10	2,896,138	5,276,334
Exchange fluctuation		787	(2,677)
Finance cost		(1,103)	(255)
Profit for the year		1,088,605	1,538,348
Other comprehensive income		-	-
Total comprehensive income for the year		1,088,605	1,538,348

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MKCL INTERNATIONAL (FZE)

HAMRIYAH FREE ZONE, SHARJAH, U.A.E.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 STATEMENT OF CHANGES IN EQUITY

	Share Capital AED	Retained Earning AED	Total Equity AED
As at 01st April, 2013	150,000	4,593,211	4,743,211
Total comprehensive income for the year	-	1,538,348	1,538,348
Balance at 31st March, 2014	150,000	6,131,559	6,281,559
Total comprehensive income for the year	-	1,088,605	1,088,605
Dividend disbursed	-	(449,960)	(449,960)
Balance at 31st March, 2015	150,000	6,770,204	6,920,204

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HAMRIYAH FREE ZONE, SHARJAH, U.A.E.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
STATEMENT OF CASH FLOWS

Particulars	2015 AED	2014 AED
Cash flows from operating activities		
Profit for the year	1,088,605	1,538,348
Changes in working capital:		
Due from related parties	2,484,670	(2,805,753)
Due to related party	(2,225,664)	3,787,989
Other payables	7,572	(2,000)
Net cash generated from operating activities	1,355,183	2,518,584
Cash flows from investing activities		
Investment	(113,829)	-
Net cash used in investing activities	(113,829)	-
Cash flows from financing activities		
Dividend disbursed	(449,960)	-
Net cash used in financing activities	(449,960)	-
Net cash movement for the year	791,394	2,518,584
Cash and cash equivalents at the beginning of the year	6,527,627	4,009,043
Cash and cash equivalents at the end of the year	7,319,021	6,527,627

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MKCL INTERNATIONAL (FZE)

HAMRIYAH FREE ZONE, SHARJAH, U.A.E.

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 NOTES TO THE FINANCIAL STATEMENTS

1 LEGAL STATUS AND ACTIVITIES

MKCL International (FZE) was registered in Hamriyah Free Zone, Sharjah, on 12th October, 2006, registration no. 1324 and commercial licence no. 2066, as a Free Zone Establishment with limited liability pursuant to Emiri Decree No,(6) of 1995 of H.H Sheikh Dr. Sultan Bin Mohammad Al Qasimi, Ruler of Sharjah, and the implementing rules and regulations thereto issued by the Hamriyah Free Zone Authority. The registered address of the (FZE) is P.O. Box 42283, Hamriyah Free Zone. Sharjah, United Arab Emirates.

The (FZE) is primarily engaged in providing Information Technology (IT Enabled Services) Services.

The (FZE) is controlled and managed by Mr. Umesh Mathew, an Indian national w.e.f 08/10/2014.

2 SHAREHOLDING

The shareholding of the (FZE) is as follows:

Name	No. of share	Value per share AED	Total value AED	% age
M/s. Maharashtra Knowledge Corporation Limited	1	150,000	150,000	100
	1		150,000	100

The authorized and paid up share capital of the (FZE) is AED 150,000/- divided into 1 share of AED 150,000/- only.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs).

3.2 Accounting convention

These financial statements have been prepared under the historical cost convention. The fair / net realizable value concept of measurement of assets and liabilities has also been applied wherever applicable under (IFRSs).

3.3 Revenue recognition

Revenue from rendering of services is recognised as per the terms of the contracts with the customers and comprises of the invoiced value of services (net of discounts) rendered during the period.

3.4 Foreign currency transactions

Foreign currency transactions are recorded in U.A.E. Dirham's at the approximate rate of exchange ruling at the time of the transaction. Assets and liabilities expressed in foreign currencies at the statement of financial position date are translated into U.A.E. Dirham's at the year end rate of exchange. All foreign currency gains or losses are booked in the statement of comprehensive income as and when they arise.

Particulars	2015 AED	2014 AED
4 INVESTMENT		
Investment in MKCL Arabia Ltd.	510,757	510,757
Investment in MKCL Lanka Ltd.	113,829	-
	624,586	510,757
5 DUE FROM RELATED PARTIES		
MKCL Arabia Ltd.	548,171	3,024,614
MKCL Lanka Pvt. Ltd.	6,079	14,306
	554,250	3,038,920
6 CASH AND CASH EQUIVALENTS		
Cash at bank	7,319,021	6,527,627
	7,319,021	6,527,627
7 DUE TO RELATED PARTY		
MKCL India	1,567,081	3,792,745
	1,567,081	3,792,745
8 OTHER PAYABLES		
Loan and advances	7,572	-
Accrued expenses	3,000	3,000
	10,572	3,000
9 ADMINISTRATION EXPENSES		
Travelling, transportation and conveyance	24,515	11,325
Legal, professional and visa charges	42,848	35,937
Postage, telephone & communication expenses	746	2,354
Lodging and accommodation expenses	4,757	1,406
Royalty expenses	1,479,658	3,681,032
Tax expenses	251,693	-
Other expenses	3,000	3,000
	1,807,217	3,735,054
10 OTHER INCOME		
Dividend on investment	2,877,759	5,263,890
Interest income	18,379	12,444
	2,896,138	5,276,334

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

The (FZE's) financial instruments are accounted for under the historical cost convention. Fair value represents the amount at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction, therefore, differences can arise between values under the historical cost method and fair value estimates. The fair value of the (FZE's) financial instruments is not materially different from the carrying value at 31st March, 2015.

12 INTEREST RATE RISK

Significant financial instruments, other assets and other liabilities of the (FZE) as at 31st March, 2015 are not interest based.

13 EXCHANGE RATE RISK

Since the main underlying currencies of the financial instruments, other assets, other liabilities and transactions including cost of revenue and expenses are in U.A.E. Dirham's, the (FZE) is not exposed to a significant exchange rate risk.

14 CONTINGENCIES AND COMMITMENTS

As at 31st March, 2015, the (FZE) had no contingencies and commitments.

15 COMPARATIVE FIGURES

Previous year's figures have been reclassified / regrouped wherever necessary to conform to the presentation adopted in these financial statements. Figures of the (FZE) have been rounded off to nearest AED 1/-.

These financial statements have been approved and signed by the undersigned on 12th June, 2015.

For MKCL International (FZE)

Authorized Signatory



MKCL

Creating a Knowledge Lit World

www.mkcl.org

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