

Board of Directors

Sri. S. V. G. Nandagopal
Chairman

Sri. V. Ramchander
Managing Director

Sri. G. Sampath Kumar
Director

Dr. Kartikeya Mishra, IAS
Director

Sri. Manicka Raj, IAS
Director

Sri. K. Rambabu
Director

Sri. S. Chezhian
Director

Sri. M. Mohan Reddy
Director

Sri. V. S. V. Rao
Director

Prof. K. Ramachandran
Director

Company Secretary
P. Seshagiri Rao

Auditors
Y. Tirupathaiah & Co.,
Chartered Accountants

Bankers
IDBI Bank
Syndicate Bank
Andhra Bank

Registered Office
8th Floor, Parisrama Bhavanam,
Basheerbagh, Hyderabad - 500 004.
Telangana, INDIA.

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NOTICE

Members of APITCO Limited are hereby given notice for the 39th Annual General Meeting of the Company, the schedule of which and business to be transacted therein, are given below:

Day and Date : Tuesday, September 15, 2015
Time : 11.00 A.M
Venue : Registered Office, Parisrama Bhavanam, Basheerbagh, Hyderabad – 500 004

ORDINARY BUSINESS

1. To receive, consider and adopt
 - a) The Audited Balance Sheet as at March 31, 2015
 - b) The Audited Statement of Profit and Loss for the year ended on that date
 - c) The Directors' Report and
 - d) The Auditors' Report, thereon.
2. To declare dividend on equity shares.
3. To appoint Prof. K. Ramachandran, as Director of the Company (DIN No. 00853667) who retires by rotation and being eligible, offers himself for re-appointment.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to Section 152(6) and other applicable provisions of Companies Act, 2013, Prof. K. Ramachandran be and is hereby re-appointed as Director of the Company".
4. To appoint Sri. V. S. V. Rao, as Director of the Company (DIN No. 00334394) who retires by rotation and being eligible, offers himself for re-appointment.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to Section 152(6) and other applicable provisions of Companies Act, 2013, Sri. V. S. V. Rao be and is hereby re-appointed as Director of the Company".
5. To fix Statutory Auditors remuneration for the financial year 2015-16.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Section 142 and all other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to fix Statutory Auditors remuneration for the financial year 2015-16 in accordance with the guidelines for Government Companies regarding fixation of auditor's remuneration."

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Sri. M. Mohan Reddy be and is hereby appointed as a Director of the Company (DIN No. 07223324), liable to retire by rotation."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Sri. K. Manicka Raj, IAS be and is hereby appointed as a Director of the Company (DIN No. 03642830), liable to retire by rotation."
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED that Sri. Kartikeya Misra, IAS be and is hereby appointed as a Director of the Company (DIN No. 06440653), liable to retire by rotation."

By order of the Board
For APITCO Limited

Place: Hyderabad
Date: August 20, 2015

V. Ramchander
Managing Director

Notes

1. A member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the Company.
2. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. An explanatory statement in respect of the above special business pursuant to the provisions of Section 102(1) of the Companies Act 2013 is annexed hereto.
4. Dividend of 7.50% for the year ended March 31, 2015 as recommended by the Board, if sanctioned at the Meeting, will be payable to those members whose names appear on the Company's register of members on September 15, 2015.

Annexure to the Notice

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

For Item No. 6:

Syndicate Bank, T & IBD (FIM), Mumbai has nominated Sri. M. Mohan Reddy as Director on the Board of the Company vide their letter no. 685/FIM/5002/2014 dated 02-12-2014 in place of Sri. P. Raja Reddy.

The Board of Directors at its 176th meeting held on March 20, 2015 had Co-opted Sri. M. Mohan Reddy as Director on the Board of Directors of the Company in place of Sri. P. Raja Reddy pursuant to the provisions of Companies Act, 2013 read with Articles of Association of the Company.

As per the provisions of the Companies Act, 2013, appointment of Directors other than nominees of institutions like IDBI, SIDBI and IFCI, need to be confirmed by the Shareholders of the Company.

The resolution is recommended for the approval of the Members.

Except Sri. M. Mohan Reddy no other Director is concerned or interested in the resolution.

For Item No. 7:

Consequent to the transfer of Sri. Jayesh Ranjan, IAS, Sri. K. Manicka Raj, IAS has assumed the office of the Director of Industries, Government of Telangana, Hyderabad. The Company has requested Sri. K. Manicka Raj, IAS, the present Director of Industries, Government of Telangana, Hyderabad to be a Director on the Board, for which he has given his consent.

The Board of Directors at its 177th meeting held on June 30, 2015 had Co-opted Sri. K. Manicka Raj, IAS, as Director on the Board of Directors of the Company pursuant to the provisions of Companies Act, 2013 read with Articles of Association of the Company.

As per the provisions of the Companies Act, 2013, appointment of Directors other than nominees of institutions like IDBI, SIDBI and IFCI, need to be confirmed by the Shareholders of the Company.

The resolution is recommended for the approval of the Members.

Except Sri. K. Manicka Raj, IAS no other Director is concerned or interested in the resolution.

For Item No. 8:

Consequent to the transfer of Dr. Rajat Kumar, IAS, Sri. Kartikeya Misra, IAS has assumed the office of the Director of Industries, Government of Andhra Pradesh, Hyderabad. The Company has requested Sri. Kartikeya Misra, IAS, the present Director of Industries, Government of Andhra Pradesh, Hyderabad to be a Director on the Board, for which he has given his consent.

The Board of Directors at its 177th meeting held on June 30, 2015 had Co-opted Sri. Kartikeya Misra, IAS, as Director on the Board of Directors of the Company pursuant to the provisions of Companies Act, 2013 read with Articles of Association of the Company.

As per the provisions of the Companies Act, 2013, appointment of Directors other than nominees of institutions like IDBI, SIDBI and IFCI, need to be confirmed by the Shareholders of the Company.

The resolution is recommended for the approval of the Members.

Except Sri. Kartikeya Misra, IAS no other Director is concerned or interested in the resolution.

By order of the Board
For APITCO Limited

V. Ramchander
Managing Director

Place: Hyderabad
Date: August 20, 2015

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their 39th Annual Report on the business and operations of the Company and the Audited Accounts for the year ended March 31, 2015.

1. FINANCIAL RESULTS

A summary of the financial performance of the Company for the financial year ended 31-03-2015 is as under:

(Rupees in lakhs)

Particulars	2014-15	2013-14
Gross Income	1316.53	1330.41
Profit before tax (PBT)	71.08	157.11
Provision for tax	25.68	52.90
Profit after tax (PAT)	45.40	104.21
Profit brought forward from previous year	1899.29	1817.77
Dividend and tax thereon	17.46	22.69
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	1916.79	1899.29
Paid-up Equity Share Capital	193.98	193.98
Dividend Rate	7.50%	10%

2. DIVIDEND

Your Directors recommend a dividend of 7.50% on the paid-up share capital for the current year.

3. TRANSFER TO RESERVES

During the year, the Company has not transferred any amount to General Reserve.

4. PERFORMANCE REVIEW 2014-15

During the year, your Company recorded total revenues of Rs. 1316.53 lakhs contributed by all major business segments of the Organization: Entrepreneurship Development & Training Rs. 723.33 lakhs; Project Related Services Rs. 296.57 lakhs; Research Studies Rs. 121.79 lakhs; Asset Reconstruction & Management Services Rs. 40.54 lakhs; Tourism Infrastructure Development Rs. 35.70 lakh; Energy Related Services Rs. 28.44 lakhs; Cluster Development Rs. 17.41 lakhs; Environment Management Rs. 1.78 lakhs and Other Income Rs. 50.97 lakhs. Among the major business segments, while the income from Entrepreneurship Development & Training, Project Related Services, and Energy Related Services was almost the same as in the previous year, there was growth in the income from Research Studies and Cluster Development segments. However, the income from Asset Reconstruction & Management Services, Tourism Infrastructure Development and Environment Management showed a fall. The reasons for the decline in the Gross Income are given in para 5.

Profit before Tax recorded by your Company is Rs. 71.08 lakhs (compared to Rs. 157.11 lakhs of previous financial year) on the income during the year of Rs. 1316.53 lakhs (compared to Rs. 1330.41 lakhs of previous financial year).

The margins got affected due to increased competition and comparatively lower income for the works executed.

5. CURRENT YEAR'S PERFORMANCE

The year has been a period of transition, wherein there were great expectations of the economy showing a healthy growth rate; mostly by the expected drive from the newly elected Government at the Centre and at both the States. However, RBI's projection of growth stood low at 5.5% for the domestic economy for the year 2014-15 compared to CSO forecast of around 7% based on the new GDP data. The position in both States of residual Andhra Pradesh and newly formed Telangana has been a period of nascent growth in the background of re-establishment and consolidation. Both the scenarios led to a low investment climate. Further, the Indian banking industry recorded the slowest growth in extending credit resulting in lesser number of newer projects and investments in the States during the year. Consequent to steps taken by RBI/GOI to rein in inflation and fiscal deficit, taking advantage of low crude oil prices, the climate has been oriented towards an attractive destination for investments. This has however been taking considerable time and the signs of growth are getting spilled over to the next financial year.

The Organisation has faced considerable difficulty in generating adequate business, during the first three quarters of the financial year, mainly due to the impact of continued disturbances and post State bifurcation effects. The Organisation however has been taking advantage of the opportunities in Skill Development initiatives proposed in a big way by the Central Government and has taken several steps to reap the benefits in years to come.

6. FUTURE OUTLOOK

The Governments at Centre and at the States are today focusing on rapid industrialization with an orientation to create Job opportunities. Skill Development continues to be one of the main thrust areas. Better growth prospects in emerging markets are projected to drive the domestic demand and lead to a growth rate of 8.1% to 8.5% as per the Economic Survey. The Government at the Centre has also projected the theme of 'Make in India' which aims at development of industries at both large and MSME levels. The concept of Cluster Development for growth of Rural Industries and MSME sector also is focused.

The creation of two States also has given windows of opportunities as both Governments are vying with each other to provide better facilities and create avenues for newer investments. Both the Governments are in the process of taking stock of the status of various segments of economy and proposing to bring in innovative schemes for growth both in rural and urban areas including by inviting foreign investments. The thrust towards development of tourism also is significant. The new industrial policy which is being announced also is expected to create impetus to the industrialization of States and bring in more investments giving the Organisation good avenues of income. The Organisation thus aims to look on to these opportunities and raise the level of performance to newer levels.

The Organisation has mobilized several good work orders in the areas of Skill Development and Cluster Development with prospects for more business opportunities in banking related activities, which shall give an impetus during the ensuing financial year. It is expected that with higher commitment at all levels, the Organisation shall scale newer heights during 2015-16 both in terms of volumes and quality.

7. SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company as required to be disclosed in terms of provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014.

8. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

About the material changes and commitments affecting financial position of the company between 31st March 2015 and the date of Board's Report: Nil

9. CHANGE IN THE NATURE OF BUSINESS, IF ANY

Nil

10. FIXED DEPOSITS

Your company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the balance sheet date.

11. STATUTORY AUDITORS

The Statutory Auditors of the Company are appointed by the Comptroller and Auditor-General of India as per the provisions of section 139 of the Companies Act, 2013. The Comptroller and Auditor-General of India as per the provisions of section 143 (6) & 143 (7) of the Companies Act, 2013 has the right to comment upon, or supplement, the audit report in such manner as he may think fit.

12. AUDITORS' REPORT

There are no qualifications, reservation or adverse comments/remarks in the Auditors Report for the financial year 2014-15.

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

Your Company has no activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) the Companies (Accounts) Rules, 2014. But the Company has taken necessary measures wherever possible for the conservation of energy. However, your Company uses information technology in its operations and also continues its endeavor to improve energy conservation and utilization, safety and environment.

Your Company has not utilized or earned any foreign exchange during the year ended March 31, 2015 (Previous Year – Nil).

14. DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and pursuant to the Articles of Association of your Company, Sri. S. Chezhan, Director and Prof. K. Ramachandran, Director of your Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Sri. S. Chezhan and Prof. K. Ramachandran, Directors have filed Form DIR-8 with your Company as required under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Board, therefore, recommends the re-appointment of Prof. K. Ramachandran and Sri V. S. V. Rao as Directors of your Company.

Further, during the financial year under review the following Appointment, Re-appointment, Change in Designation, Resignation of Directors has occurred:

1. In terms of Article 104(3) of the Articles of Association of the Company, SIDBI has appointed, vide its letter no. SIDBI.NO.3796/RMV (TCO), dated October 27, 2014, Sri. S. V. G. Nandagopal as Non-Executive Chairman of APITCO Limited for an initial period of 3 years, not liable to retire by rotation with immediate effect in place of Sri. M. Chittaranjan Kumar.
2. Sri. Jayesh Ranjan, IAS, Commissioner of Industries, Government of Telangana, was appointed on the Board of the Company.
3. Sri. M. Mohan Reddy nominated by Syndicate Bank was appointed on the Board of the Company.

KEY MANAGERIAL PERSONNEL (KMP)

As per the provisions of Section 203 of the Companies Act, 2013 (the Act) read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed Company and every other Public Company having a paid-up share capital of ten crores rupees or more shall have whole-time KMPs namely (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director; (ii) Company Secretary; and (iii) Chief Financial Officer. Your Company is not required to appoint any

whole-time KMPs as the paid-up share capital of the Company is less than the limit as prescribed above. However, during the financial year under review, Sri. V. Ramchander served as Managing Director of the Company by virtue of SIDBI's appointment as per Articles of Association of the Company.

15. MEETINGS OF BOARD OF DIRECTORS

During the Financial Year 2014-15, four (4) meetings of the Board of Directors of the Company were held on the following dates:

Board Meeting Number	Date of Board Meeting	Directors Present
173	25-06-2014	- Sri. M. Chittaranjan Kumar - Sri. V. Ramchander - Sri. S. M. Karambelkar - Sri. K. Rambabu - Sri. P. Raja Reddy
174	19-09-2014	- Sri. M. Chittaranjan Kumar - Sri. V. Ramchander - Sri. S. M. Karambelkar - Sri. K. Rambabu - Sri. S. Chezhan - Sri. V. S. V. Rao
175	25-11-2014	- Sri. S. V. G. Nandagopal - Sri. V. Ramchander - Sri. S. M. Karambelkar - Sri. S. Chezhan
176	20-03-2015	- Sri. S. V. G. Nandagopal - Sri. V. Ramchander - Sri. S. M. Karambelkar - Sri. S. Chezhan - Sri. V. S. V. Rao - Prof. K. Ramachandran

16. PARTICULARS OF EMPLOYEES

None of the employees of your Company is in receipt of remuneration requiring disclosure pursuant to the provisions of Section 134(3) (q) of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, no such particulars in this regard are annexed.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

In the Financial Year 2014-15, the Company has not given any loan, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is higher, as prescribed in Section 186 of the Companies Act, 2013.

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

NIL

19. EXTRACT OF THE ANNUAL RETURN

The extract of annual return as on the financial year ended March 31, 2015 in Form No. MGT-9 forms part of this Board's Report.

20. RISK MANAGEMENT POLICY

The Company is in the process of evolving a Risk Management Policy.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No significant and material orders were passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

22. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013 (Act) read with relevant Rules made there under, your Directors confirm that:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of your Company for that period;
- (iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had prepared the annual accounts for the financial year ended March 31, 2015 on a going concern basis; and
- (v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, your Directors confirm that your Company has adequate internal systems and controls in place to ensure compliance of laws applicable to your Company.

23. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financials controls commensurate with the size of the Company.

24. ACKNOWLEDGEMENT

The Board expresses its gratitude to the Government of India and State Governments of Telangana, Andhra Pradesh, Karnataka, Odisha and Chattisgarh for the valuable support extended and the Organisation requests them for the continued patronage.

The Board is grateful to SIDBI which has extended continuous support and guidance to the Organisation. The Board would like to thank State Bank India, Andhra Bank, State Bank of Hyderabad, Vijaya Bank, IFCI, ICICI, IDBI Bank, APSFC, APIDC, Syndicate Bank and Indian Bank for their continuous support and patronage.

The Board is grateful to the valued Customers, Vendors and External Consultants & Domain Experts for contributing to the progress & growth of the Organisation.

The Board expresses its sincere thanks to the shareholders of the Organisation for the support extended, trust reposed and valuable advice rendered.

The Board acknowledges the unstinted commitment and contribution made by all the employees for all-round development of the Organisation and calls for rendering dedicated efforts to raise the performance levels further and provide quality services.

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 30-06-2015

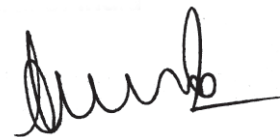
S.V.G. Nanda Gopal
Chairman

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE ACCOUNTS OF APITCO LIMITED, HYDERABAD FOR THE YEAR ENDED 31 MARCH 2015

The preparation of financial statements of APITCO Limited, Hyderabad for the year ended on 31 March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of Act is responsible for expressing opinion on these financial statements under Section 143 of the Act based on the independent audit in accordance with the standards on Auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 30 June 2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of APITCO Limited, Hyderabad for the year ended on 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge, which would give raise to any comment upon or supplement to Statutory Auditor's Report

**For and on the behalf of the
Comptroller and Auditor General of India**



(Arabinda Das)

**Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board,
Hyderabad**

**Place : Hyderabad
Date : 05 August 2015**

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APITCO LIMITED

We have audited the accompanying financial statements of APITCO Limited ('the company'), which comprise the balance sheet as at March 31, 2015, the statement of profit and loss and the 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 stated in Section 134 (5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its profit and its 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 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the 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 it appears from our examination of those books;
 - c. The balance sheet, the statement of profit and loss and the 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 the written representations received from the Directors as on March 31, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015 from being appointed as a Director in terms of section 164 (2) of the Act; and
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 , in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 21(9) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses , if any, on long-term contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of
Y. Tirupathaiah & Co.,
Chartered Accountants
Firm Registration No.: 004429S

Hyderabad
June 30, 2015

G. Subba Rao
Partner
Membership No.:025905

Annexure to the Auditors' Report

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

- (i) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
(b) The fixed assets of the Company are physically verified by the management during the year and no material discrepancies between physical inventories and book records were noticed.
- (ii) The Company is a Service Company primarily rendering consultancy Services. Accordingly, it does not hold any physical inventories.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, from Companies, firms or other parties listed in the Register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any instances of major weaknesses in the aforesaid internal control system.
- (v) The Company has not accepted any deposits from the 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, service tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriated authorities. As explained to us, the Company did not have any dues on account of employees' state insurance.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax, value added tax, cess and other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no material dues of income tax or service tax or value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute.
- (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 does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding 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 and on behalf of
Y. Tirupathaiah & Co.,
Chartered Accountants
Firm Registration No.: 004429S

Hyderabad
June 30, 2015

G. Subba Rao
Partner
Membership No.:025905

ADDENDUM TO THE INDEPENDENT AUDITORS' REPORT

Annexure - II

Report in compliance with the directions issued by the C&AG u/s. 143(5) of the Companies Act, 2013 :-

(A) DISINVESTMENT:

The Company has not been selected for disinvestment during the year.

(B) WRITE-OFF OF DEBTS/LOANS/INTEREST ETC.:

The Company had not written-off any Debts during the financial year 2014-15. The Company has provided Rs. 29,56,464/- towards "Provision for Doubtful Trade Receivables" as on 31-03-2015 as per the guidelines of "Debtors Provisioning Policy" of the Company.

The Company has not granted any loans and hence write-off is not applicable to the Company.

(C) INVENTORIES WITH THIRD PARTIES & ASSETS FROM GOVERNMENT:

The Company is a Service Company Primarily rendering consultancy Services. Accordingly, it does not hold any physical inventories either with self or third parties.

The Company has not received any gift(s) from Government or from any other authorities during the year 2014-15.

(D) AGE-WISE ANALYSIS OF PENDING LEGAL/ARBITRATION CASES:

The Company has only one legal case pending before "EPF Appellate Tribunal", New Delhi with respect to Provident Fund for not enrolling contract employees for the period 01-04-2006 to 31-03-2009. The Order by the Office of the Regional Provident Fund Commissioner, Exemption, Regional Office, Hyderabad is for Rs. 16,28,118/-. The Order was issued during the year 2010.

APITCO has appealed against the ORDER before "EPF Appellate Tribunal", New Delhi on October 06, 2010. APITCO has appointed Mr. Koka Satyanarayana Rao, Advocate to represent our case before "EPF Appellate Tribunal", New Delhi. The Fee payable to the advocate is Rs. 25,000/- plus reimbursement of actual expenditure towards TA/DA for representing the case at New Delhi.

For and on behalf of
Y. Tirupathaiah & Co.,
Chartered Accountants
Firm Registration No.: 004429S

Hyderabad
04-08-2015

G. Subba Rao
Partner
Membership No.:025905

BALANCE SHEET

Balance Sheet as at March 31, 2015

	Note No.	As at 31-03-2015 Rs.	As at 31-03-2014 Rs.
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	19,398,000	19,398,000
(b) Reserves and Surplus	2	207,362,670	205,612,410
(c) Money received against Share Warrants		-	-
		226,760,670	225,010,410
2 Share application money pending allotment		-	-
3 Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (net)		-	-
(c) Other Long Term Liabilities	3	-	-
(d) Long-Term Provisions	4	10,461,053	9,166,705
		10,461,053	9,166,705
4 Current Liabilities			
(a) Short-Term Borrowings		-	-
(b) Trade Payables		42,689	261,946
(c) Other Current Liabilities	5	120,922,670	14,576,035
(d) Short-Term Provisions	6	12,357,457	15,366,546
		133,322,816	30,204,527
TOTAL		370,544,539	264,381,642
B ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	7	2,289,029	5,992,495
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(v) Fixed Assets held for Sale		-	-
		2,289,029	5,992,495
(b) Non-Current Investments	8	4,300,000	4,300,000
(c) Deferred Tax Assets (Net)	9	4,074,780	3,245,297
(d) Long-Term Loans and Advances		-	-
(e) Other Non-Current Assets	10	117,015,912	63,880,266
		125,390,692	71,425,563
2 Current Assets			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade Receivables	11	24,191,720	90,746,986
(d) Cash and Cash Equivalents	12	165,185,434	49,649,761
(e) Short-Term Loans and Advances	13	51,208,148	42,648,387
(f) Other Current Assets	14	2,279,516	3,918,450
		242,864,818	186,963,584
TOTAL		370,544,539	264,381,642

See accompanying Notes forming part of the Financial Statements

In terms of our report attached
For and on behalf of
Y. Tirupathaiah & Co.
Chartered Accountants
Firm Registration No.: 004429S
G. Subba Rao,
Partner
Membership No.: 025905
Place: Hyderabad
Date: 30-06-2015

For and on behalf of the Board of Directors
S. V. G. Nandagopal
Chairman
V. Ramchander
Managing Director
M. Mohan Reddy
Director
K. Rambabu
Director
P. Seshagiri Rao
Chief Consultant & Company Secretary
Place: Hyderabad
Date: 30-06-2015

STATEMENT OF PROFIT AND LOSS

Statement of Profit and Loss for the year ended March 31, 2015

	Note No.	For the Year Ended 31-03-2015 Rs.	For the Year Ended 31-03-2014 Rs.
A CONTINUING OPERATIONS			
1 Revenue from Operations	15	126,556,333	126,459,260
2 Other Income	16	5,096,924	6,581,577
3 Total Revenue (1+2)		131,653,257	133,040,837
4 Expenses			
(a) Operating Expenses	17	61,383,256	55,234,191
(b) Employee Benefits Expenses	18	43,895,644	42,819,268
(c) Finance Costs	19	1,054,311	1,215,749
(d) Depreciation and amortisation Expenses		2,875,446	1,279,935
(e) Administrative & Other Expenses	20	15,336,889	16,780,217
Total Expenses		124,545,546	117,329,360
5 Profit before Exceptional and Extraordinary Items and Tax (3 - 4)		7,107,711	15,711,477
6 Exceptional items		-	-
7 Profit before Extraordinary Items and Tax (5 - 6)		7,107,711	15,711,477
8 Extraordinary items		-	-
9 Profit before tax (7 - 8)		7,107,711	15,711,477
10 Tax Expense:			
(a) Current Tax Expense for Current Year		3,397,539	5,892,626
(b) (Less): MAT credit (where applicable)		-	-
(c) Current Tax Expense relating to Prior Years		-	-
(d) Net Current Tax Expense		-	-
(e) Deferred tax		(829,483)	(602,384)
		2,568,056	5,290,242
11 Profit from Continuing Operations (9 -10)		4,539,655	10,421,235
B DISCONTINUING OPERATIONS			
12 Profit / (Loss) from Discontinuing Operations (before tax)		-	-
13 Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
14 Add / (Less): Tax expense of discontinuing operations		-	-
(a) on ordinary activities attributable to the discontinuing operations			
(b) on gain / (loss) on disposal of assets / settlement of liabilities			
15 Profit / (Loss) from Discontinuing Operations		-	-
16 Profit for the year (11 ± 15)		4,539,655	10,421,235
See accompanying Notes forming part of the Financial Statements			

In terms of our report attached
For and on behalf of
Y. Tirupathaiah & Co.
Chartered Accountants
Firm Registration No.: 004429S
G. Subba Rao,
Partner
Membership No.: 025905
Place: Hyderabad
Date: 30-06-2015

For and on behalf of the Board of Directors
S. V. G. Nandagopal
Chairman
M. Mohan Reddy
Director
P. Seshagiri Rao
Chief Consultant & Company Secretary
V. Ramchander
Managing Director
K. Rambabu
Director
Place: Hyderabad
Date: 30-06-2015

NOTES

Notes forming part of the financial statements

NOTE - 1

Share Capital	31 March 2015	31 March 2014
	Amount (Rs.)	Amount (Rs.)
Authorised		
20,00,000 Equity Shares of Rs. 10/- each	20,000,000	20,000,000
Issued		
19,39,800 Equity Shares of Rs. 10/- each	19,398,000	19,398,000
Subscribed & Paid-up		
19,39,800 Equity Shares of Rs. 10/- each fully paid-up	19,398,000	19,398,000
Subscribed but not fully Paid up	-	-
Total	19,398,000	19,398,000

NOTE - 1 A

Particulars	Equity Shares	
	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	1,939,800	19,398,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	1,939,800	19,398,000

NOTE - 1 B

No Holding Company

NOTE - 1 C

SR NO	Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
		No. of Shares held (Face value of Rs. 10/- each)	% of Holding	No. of Shares held (Face value of Rs. 10/- each)	% of Holding
1	Small Industries Development Bank of India (SIDBI)	801,000	41.29%	801,000	41.29%
2	Andhra Pradesh State Financial Corporation (APSFC)	243,000	12.53%	243,000	12.53%
3	Andhra Pradesh Industrial Development Corporation (APIDC)	180,000	9.28%	180,000	9.28%
4	Andhra Bank	180,000	9.28%	180,000	9.28%
5	Syndicate Bank	180,000	9.28%	180,000	9.28%
6	IFCI Limited	108,000	5.57%	108,000	5.57%
7	ICICI Bank	90,000	4.64%	90,000	4.64%
8	Others	157,800	8.13%	157,800	8.13%
		1,939,800	100%	1,939,800	100%

NOTES

NOTE 1 D

Particulars	(Aggregate No. of Shares) for the year ended				
	2014-15	2013-14	2012-13	2011-12	2010-11
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares (Face Value of Rs. 1000 each in 2010-11 and Face value of Rs. 10/- each in 2012-13)			9,69,900	-	6,466
Shares bought back	-	-	-	-	-
Preference Shares :	-NIL-				
Fully paid up pursuant to contract(s) without payment being received in cash					
Fully paid up by way of bonus shares					
Shares bought back					

NOTE 1 E

Unpaid Calls	
By Directors	Nil
By Officers	Nil

NOTE 1 F

Nil

NOTE - 2

Reserves & Surplus	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
A. General Reserve		
Opening Balance	15,684,000	15,684,000
(+) Current Year Transfer	-	-
Closing Balance	15,684,000	15,684,000
B. Surplus		
Opening balance	189,928,410	181,776,644
(+) Net Profit/(Net Loss) For the current year	4,539,655	10,421,235
(-) Capitalization by issue of 9,69,900 Bonus Shares of Rs. 10/- each	-	-
(-) Proposed Dividends & Tax	1,745,735	2,269,469
(-) Depreciation Adjustment	1,043,660	-
(-) Transfer to Reserves	-	-
Closing Balance	191,678,670	189,928,410
Total	207,362,670	205,612,410

NOTES

NOTE - 3

Other Long Term Liabilities	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Trade Payables	-	-
(b) Others	-	-
Total	-	-

NOTE - 4

Long - Term Provisions	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Provision for employee benefits		
Superannuation	-	-
Gratuity (unfunded)	462,971	-
Leave Encashment	9,582,370	8,837,179
Leave Fare Allowance	415,712	329,526
(b) Others (Specify nature)	-	-
Total	10,461,053	9,166,705

NOTE - 5

Other Current Liabilities	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Service Tax Payable	5,119,340	6,225,574
(b) Performance Incentive - Managing Director	229,444	403,792
(c) TDS on Contract, Profession, Rent and Salaries	146,929	548,382
(d) Provision for expenditure for executed assignments	10,916,190	6,604,418
(e) Advances from Clients	103,446,963	419,302
(f) Others	1,063,804	374,567
Total	120,922,670	14,576,035

NOTES

NOTE - 6

Short - Term Provisions	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Provision for employee benefits		
Salary & Reimbursements	-	-
Variable Remuneration	6,864,335	6,864,335
Leave Encashment	349,848	340,116
(b) Taxation	3,397,539	5,892,626
(c) Proposed Dividend & Tax	1,745,735	2,269,469
Total	12,357,457	15,366,546

NOTE - 7

TANGIBLE ASSETS

(Amount in Rupees)

Particulars	COST				DEPRECIATION (including amortisation)				NET BOOK VALUE	
	As at 01.04.2014	Additions During the Year	Deductions During the Year	As at 31.03.2015	Up to 01.04.2014	For the Year	On Deductions During the Year	Up to 31.03.2015	As at 31.03.2015	As at 31.03.2014
Computers	4,818,679	100,750	-	4,919,429	4,555,087	154,577	-	4,709,664	209,765	502,094
Office Equipment	8,637,016	114,890	-	8,751,906	4,396,593	2,541,496	-	6,938,089	1,813,817	5,045,581
Furniture and Fixtures	1,921,229	-	-	1,921,229	1,738,879	71,085	-	1,809,964	111,265	182,350
Vehicles	1,064,080	-	-	1,064,080	801,610	108,288	-	909,898	154,182	262,470
Total	16,441,004	215,640	-	16,656,644	11,492,169	2,875,446	-	14,367,615	2,289,029	5,992,495
Previous Year	16,389,011	51,993	-	16,441,004	9,168,574	1,279,935	-	10,448,509	5,992,495	

NOTE - 8

Non - Current Investments	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
Non-Trade, Unquoted, Long Term :		
(a) HUDCO Public Deposit Scheme	1,300,000	1,300,000
(b) India SME Asset Reconstruction Company Limited (300,000 Equity Shares @ Rs. 10/- each, fully paid-up)	3,000,000	3,000,000
Total	4,300,000	4,300,000

NOTES

NOTE - 9

Deferred Tax Assets (Net)	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Fixed Assets	1,005,725	125,935
(b) Leave Encashment	3,069,055	3,119,362
Total	4,074,780	3,245,297

NOTE - 10

Other Non-Current Assets	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
Trade receivables outstanding for a period exceeding one year:		
Secured, considered good	-	-
Unsecured, considered good	119,972,376	66,068,282
Unsecured, considered doubtful	-	-
	119,972,376	66,068,282
Less: Provision for doubtful debts	2,956,464	2,188,016
Total	117,015,912	63,880,266

NOTE - 11

Trade Receivables	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
Trade Receivables for a period within six months:		
Secured, considered good	-	-
Unsecured, considered good	24,191,720	90,746,986
Unsecured, considered doubtful	-	-
	24,191,720	90,746,986
Less: Provision for doubtful debts	-	-
	24,191,720	90,746,986
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
	-	-
Less: Provision for doubtful debts	-	-
	-	-
Total	24,191,720	90,746,986

NOTES

NOTE 11 A

Trade Receivables stated above include debts due by :

Particulars	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
Directors	-	-
Other officers of the Company	-	-
Firm in which Director is a partner	-	-
Private Company in which Director is a member	-	-
Total	-	-

NOTE - 12

Cash and Cash Equivalents	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Balances with Banks in Current Accounts	119,791,722	1,531,215
(b) Bank Deposits:		
Bank deposits with more than 12 months maturity	44,857,416	48,118,546
Bank deposits with less than 12 months maturity	536,296	-
(c) Cheques, drafts on hand	-	-
(d) Cash on hand	-	-
Total	165,185,434	49,649,761

NOTE - 13

Short-Term Loans and Advances	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Loans and advances to related parties	-	-
(b) Advances Recoverable in Cash or in kind or for Value to be received:		
(i) Assignment / Vendor Advances / Others	28,825,277	21,334,399
(ii) P.F. Deposit with RPF and Trust	814,409	814,409
(iii) Income Tax Refunds of Previous Years	6,478,184	4,323,815
(iv) Prepaid Expenses	418,768	464,267
(v) Prepaid Service Tax	362,171	463,974
(vi) Service Tax Receivable	2,694,573	2,953,113
(c) Advance Income Tax	-	1,000,000
(d) TDS Receivables	7,622,344	7,362,878
(e) Deposits including EMDs	3,992,422	3,931,532
Total	51,208,148	42,648,387

NOTES

NOTE 14

Other Current Assets	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Interest accrued but not due on Fixed Deposits & on Bonds	2,279,516	3,918,450
Total	2,279,516	3,918,450

NOTE 15

Revenue from Operations	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
1 Micro Enterprises Development	91,180	251,580
2 Skill Development & EDPs	72,242,017	72,740,049
3 Tourism Infrastructure Development	3,570,354	6,340,865
4 Research Studies	12,179,329	4,402,287
5 Project related Services, Infrastructure Planning & Development	29,656,697	29,607,929
6 Environment Management	178,000	871,251
7 Energy related Services	2,843,955	3,224,584
8 Cluster Development	1,741,000	750,000
9 Asset Reconstruction & Management Services	4,053,801	8,270,715
Total	126,556,333	126,459,260

NOTE - 16

Other Income	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
Interest on Fixed Deposits & Investments (Bonds)	5,057,019	6,571,595
Excess Provision Written back	-	-
Profit on Sale of Fixed Assets	-	-
Miscellaneous	39,905	9,982
Total	5,096,924	6,581,577

NOTES

NOTE - 17

Operating Expenses	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
Escort Services	41,457	162,450
Skill Development & EDPs	42,375,791	39,788,147
Market Surveys	4,624,384	1,471,512
Project Management & Inspection	7,887,503	6,666,676
Infrastructure Planning Services	2,502,624	1,581,876
Environment Management	90,430	365,878
Energy related Services	207,100	1,045,240
Cluster Development	826,126	494,318
Asset Reconstruction & Management Services	2,827,841	3,658,094
Total	61,383,256	55,234,191

NOTE - 18

Employee Benefits Expenses	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
(a) Salaries and incentives	37,490,284	37,004,431
(b) Contributions to Provident Fund	2,498,861	2,504,701
(c) Gratuity fund contributions	462,971	27,063
(d) Leave Encashment	2,672,917	2,488,908
(e) Staff welfare expenses	770,611	794,165
Total	43,895,644	42,819,268

NOTE - 19

Finance costs	As at 31 March 2015	As at 31 March 2014
	Amount (Rs.)	Amount (Rs.)
Interest expense	1,023,155	1,146,459
Bank Charges	31,156	69,290
Applicable net gain/loss on foreign currency transactions and translation	-	-
Total	1,054,311	1,215,749

NOTES

NOTE - 20

Sl.No.	Administrative & Other expenses	As at	As at
		31 March 2015	31 March 2014
		Amount (Rs.)	Amount (Rs.)
1	Rent	4,186,100	4,277,604
2	Rates and Taxes	631,713	585,650
3	Insurance	210,126	226,190
4	Electricity	723,929	923,997
5	Repairs and Maintenance	1,321,841	1,130,890
6	Travelling and Conveyance	3,317,791	5,035,832
7	Postage & Communication	1,471,371	1,306,931
8	Printing and Stationery	801,803	1,301,936
9	Security Charges	432,511	427,266
10	Office Maintenance	872,393	656,717
11	Advertisement and Business Promotion	38,995	129,477
12	Professional Fees	236,545	283,831
13	Membership Fees & Books and Periodical	151,337	213,885
14	Directors' Sitting Fees	85,000	95,000
15	Provision for Doubtful Trade Receivables	768,448	118,225
16	Miscellaneous Expenses	41,986	21,786
Total (1)		15,291,889	16,735,217

Sl No	Audit fees	As at	As at
		31 March 2015	31 March 2014
		Amount (Rs.)	Amount (Rs.)
Payments to the auditor as			
1	a. auditor	40,000	40,000
2	b. for taxation matters	5,000	5,000
3	c. for company law matters	-	-
4	d. for management services	-	-
5	e. for other services	-	-
6	f. for reimbursement of expenses	-	-
Total (2)		45,000	45,000
Total (1+2)		15,336,889	16,780,217

NOTES

NOTE - 21

1. Corporate Information:

APITCO Limited (APITCO) is a Public Limited Company incorporated under the provisions of the Companies Act, 2013.

APITCO is a multi-disciplinary Consultancy Organization rendering Consulting Services in the areas of Project identification, Project counseling, Pre-feasibility reports, Detailed project feasibility studies, Infrastructure planning, Due diligence of business proposals, Project Monitoring Services, Market assessment, Expansion & debt restructuring, Diversification and turnaround strategies, Energy audits, Waste minimization, Environment impact assessment, Valuation of Assets, Skill development, Extending handholding to micro entrepreneurs through its 'escort services', Development of Industry Clusters (Cluster Development), Non Performing Assets Resolution, and Due diligence (legal & financial) of Non Performing Assets.

2. Significant Accounting Policies:

(i) Basis of Accounting

The financial statements of the Company are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of The Companies Act, 2013 of India (The Act).

(ii) Fixed Assets and Depreciation / Amortisation

Fixed Assets are stated at actual cost less accumulated depreciation. The actual cost capitalized includes freight, installation cost, duties, levies and all incidental expenses attributable to bringing the asset to its working condition.

Depreciation on fixed assets is being provided on written down value basis as per Schedule II of The Act. Individual assets acquired for less than Rs. 5,000/- are entirely depreciated in the year of acquisition.

The cost of and the accumulated depreciation for fixed assets sold, retired or otherwise disposed off are removed from the stated values and the resulting gains and losses are included in the profit and loss account.

(iii) Investments

Investments in Bonds and Fixed Deposits of financial institutions and other approved Government organizations are Long-term investments and are valued at cost with an appropriate provision for any permanent diminution in value.

(iv) Taxes on Income

Tax expense for the year comprises of current tax and deferred tax. Current taxes are measured at the amounts expected to be paid using the applicable tax rates and tax laws. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the profit and loss account in the year of change. Deferred tax assets and deferred tax liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards.

(v) Income Recognition

Income from Operations in respect of assignments undertaken by the Company are accounted for as follows:

a) Private parties, Banks etc on submission of the final reports.

- b) Government, Corporations and Government Companies etc., on submission of draft reports or as per the milestones accomplished in accordance with the Terms of Reference (ToR) for the assignment.
- c) Revenue in respect of projects / assignments of long term duration in implementation are recognized on the basis of stage-wise completion as per the Terms of Reference (ToR) for the respective project / assignment.
- d) Subsidies from Central/State Level Financial Institutions, if availed, are considered as part of the fee for the respective assignment.
- e) Revenue on account of training programmes are taken into account on completion of specific phases as per the Terms of Reference (ToR) for such programmes.
- f) Revenues in respect of incomplete assignments are not taken into account, since quantification of revenue cannot be ascertained precisely, unless they are completed.
- g) Interest on deployment of surplus funds is recognized using the time proportion method based on interest rates implicit in the transaction.

(vi) Retirement Benefits

Gratuity

Gratuity payable to eligible employees is administered through a separate Trust, which has taken a policy with LIC of India. Gratuity is provided on actuarial valuation made by LIC as at the Balance Sheet date.

Leave Encashment

The liability of leave encashment is provided for on an accrual basis based on unavailed leave balances at the financial year-end subject to maximum of 300 days per employee. No earmarked investments are made for this purpose.

3. (i) Remuneration to Managing Director

(Amount in Rs.)

	01.04.2014 To 31.03.2015	01.04.2013 To 31.03.2014
Salary	2,021,723	1,679,654
Allowances and other benefits including performance incentive	671,248	926,917
Total	2,692,971	2,606,571

(ii) The computation of profit under Section 198 of The Act for calculation of performance incentive of Managing Director is as follows:

(Amount in Rs.)

Profit before tax (Before charging performance incentive)	7,337,155
Add: Depreciation provided in books	2,875,446
Less: Depreciation u/s Income Tax Act	1,034,841
Profit u/s 198	9,177,760
Performance Incentive: 2.5% of net profit subject to a ceiling equivalent to 50% of Basic plus Dearness Allowance for the year	
- 2.5% of profit	229,444
- 50% of Basic plus Dearness Allowance for the year	1,010,862
Performance Incentive	229,444

NOTES

4. (i) Expenditure incurred in Foreign Currency

(Amount in Rs.)

	01.04.2014 To 31.03.2015	01.04.2013 To 31.03.2014
Traveling – Director(s)	-	-
SME Delegation & Others	-	-
Total	-	-

(ii) Earnings in Foreign Currency: NIL

5. Deferred Tax Assets:

Deferred Tax Asset in respect of Fixed Assets of Rs. 10,05,725/- and Deferred Tax Asset in respect of Leave Encashment of Rs. 30,69,055/- at the end of the year after adjusting current year timing difference to the opening balances was provided in the accounts.

6. Current assets, loans and advances are realizable at a value, which is at least equal to the amount, at which these are stated, in the ordinary course of business.

7. The Company is not paying Service tax on Skill Development Training programmes sponsored by MEPMA, EGMM, A.P. State Minorities Finance Corporation and Director General Employment & Training (MES Scheme) basing on Circular No. 164/15/2012-ST dated 28-08-2012 issued by Ministry of Finance, Gol and Circular No. Roc.No. 75/10/C, dated 10-10-2012 issued by Mission Director, MEPMA. In continuation to Circulars issued earlier, Ministry of Finance, Gol, had further issued Notification No. 13/2013 – Service Tax dated 10th September 2013 with respect to Service Tax applicability.

8. Dues to micro, small and medium enterprises & small-scale industrial undertakings:

As at March 31, 2015, the Company has no outstanding dues to micro, small and medium enterprises who have submitted memorandum to the concerned authorities as per the relevant provisions of Micro, Small Medium Enterprises Development Act, 2006 and the Company has no outstanding dues to small-scale industrial undertakings.

9. Contingent Liabilities:

(a) Bank Guarantees:

The following are the Bank Guarantees given to various Government Organizations & Ministry's, Companies and Institutions:

S.No	Issued to	Amount (Rs.)
1	Joint Secretary, Ministry of Textiles, Government of India, New Delhi.	12,500,000
2	Director, Ministry of New and Renewable Energy (MNRE), Project Management Unit, UNDP-GEF, Block No. 14, CGO Complex, Lodhi Road, New Delhi.	985,883
3	Director, Ministry of New and Renewable Energy (MNRE), Project Management Unit, UNDP-GEF, Block No. 14, CGO Complex, Lodhi Road, New Delhi.	328,628
4	Director, Odisha State Employment Mission Society (OSEMS), Directorate of Employment, Government of Odisha Bhubaneswar – 751001.	500,000
5	The Pay and Accounts Office, Department of Pharmaceuticals, Ministry of Chemical & Fertilizers, Government of India, New Delhi.	250,000

NOTES

S.No	Issued to	Amount (Rs.)
6	Mission Director, Mission for Elimination of Poverty in Municipal Areas (MEPMA), Telangana State, Hyderabad.	200,000
7	Mission Director, Mission for Elimination of Poverty in Municipal Areas (MEPMA), Andhra Pradesh, Hyderabad.	200,000
8	The Director, Karnataka Renewable Energy Development Limited (KREDL), # "Shanthi Gruha" Bharath Scouts & Guides Building, Opp. To Chief Postmaster General Office, Place Road, Bangalore - 560 001.	29,600
Total		14,994,111

(b) APIDC Limited rental arrears demand of Rs. 6,675,567/- for the period 1-11-1998 to 31-01-2008. This claim is not acknowledged as debt by the Company since Government Order No. 431 dated 28-12-1993 issued by Industries & Commerce (IP) Department, Government of Andhra Pradesh was in force till 12-02-2008.

(c) Provident Fund:

Office of the Regional Provident Fund Commissioner, Exemption, Regional Office, Hyderabad had issued ORDER dated August 08, 2010 vide letter no. AP/RO-HYD/Exemp./25139/2010/1178 for payment of Rs. 16,28,118/- towards P.F. in respect of contract consultant employees not enrolled to P.F. Membership for the period 01-04-2006 to 31-03-2009.

APITCO has appealed against the ORDER before "EPF Appellate Tribunal", New Delhi on October 06, 2010. APITCO has appointed Mr. Koka Satyanarayana Rao, Advocate to represent our case before "EPF Appellate Tribunal", New Delhi.

This claim is not acknowledged as debt by the Company.

10. Debit and credit balances as on March 31, 2015 are not confirmed.

11. Foreign Currency Conversion:

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction.

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in they arise in which they arise.

CASH FLOW STATEMENT

Cash Flow Statement for the year ended March 31, 2015

	2014-2015 Rs.	2013-2014 Rs.
A Cash flow from Operating Activities:		
Net Profit before tax	2,050,692	9,139,882
Depreciation	2,875,446	1,279,935
Profit on sale of assets	-	-
Operating Profit Before changes in Working Capital	4,926,138	10,419,817
Movements in Working Capital		
(Increase)/Decrease in Debtors	13,419,620	(25,754,605)
(Increase)/Decrease in Other Current Assets	1,638,934	3,649,783
(Increase)/Decrease in Loans and Advances	(8,559,761)	(3,203,020)
Increase/(Decrease) in Trade Payables	(219,257)	(82,377)
Increase/(Decrease) in Other Long Term Liabilities	-	-
Increase/(Decrease) in Other Long Term Provisions	1,294,348	1,451,982
Increase/(Decrease) in Other Current Liabilities	106,346,635	1,961,729
Increase/(Decrease) in Short Term Provisions	(2,485,355)	(7,965,196)
Cash generated (used in)/from operations	116,361,302	(19,521,887)
Taxes (Paid) / Refund Net	(2,568,056)	(5,290,242)
Cash flow from Operating Activities	113,793,246	(24,812,129)
B Cash flow from Investing Activities		
Interest on Fixed Deposits & Investments	5,057,019	6,571,595
(Increase)/Decrease Deferred Tax Asset	(829,483)	(602,384)
(Increase)/Decrease in Fixed Assets	(215,640)	(51,993)
(Increase)/Decrease in Investments	-	-
Cash flow from Investing Activities	4,011,896	5,917,218
C Cash flow from Financing Activities		
Dividend Paid	1,939,800	1,939,800
Dividend Tax Paid	329,669	314,684
Cash flow from Financing Activities	2,269,469	2,254,484
Net (decrease)/Increase in cash and cash equivalents	115,535,673	(21,149,395)
Cash and cash equivalents at the beginning of the year	49,649,761	70,799,156
Cash and cash equivalents at the end of the year	165,185,434	49,649,761

Notes:

- 1 Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3: "Cash Flow Statements" as specified in the Companies (Accounting Standard) Rules, 2006
- 2 Previous years' figures have been regrouped/ reclassified wherever applicable.

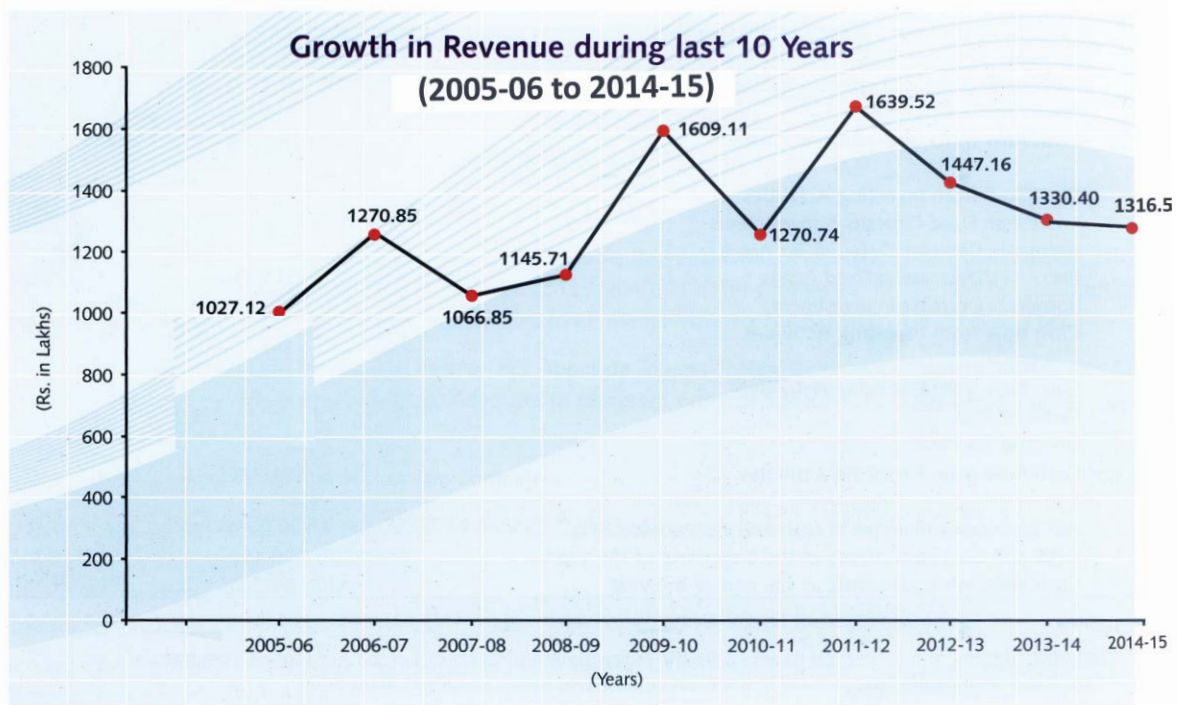
In terms of our report attached

For and on behalf of
Y. Tirupathaiah & Co.
 Chartered Accountants
 Firm Registration No.: 004429S
G. Subba Rao,
 Partner
 Membership No.: 025905
 Place: Hyderabad
 Date: 30-06-2015

For and on behalf of the Board of Directors

S. V. G. Nandagopal Chairman	V. Ramchander Managing Director
M. Mohan Reddy Director	K. Rambabu Director
P. Seshagiri Rao Chief Consultant & Company Secretary	
Place: Hyderabad Date: 30-06-2015	

PERFORMANCE HIGHLIGHTS



OUR VISION

To be a Global Leader offering diversified Industrial Consulting Services for promotion and growth of micro and small enterprises.

OUR VALUES

Versatility

We believe that each consultant at APITCO regardless of ones academic background, be sensitive and responsive in providing varied consulting services, irrespective of the client size and type of industry.

Commitment

We commit ourselves

- ☞ To APITCO for ensuring organisational growth, promoting harmonies work environment and building mutual respect for each other.
- ☞ To offer our client, present or prospective, our services with an innovative approach of quality and meeting set schedules within the defined scope of work.

Integrity

We shall uphold the integrity of APITCO by

- ☞ Being honest and ethical in our business dealings
- ☞ Maintaining clients confidentially
- ☞ Enhancing client trust through highest professional standards

Team Work

We believe in working together as a team, cutting across the boundaries of hierarchy and functional expertise, to find solutions for our client and internal needs for team working spells quality that cannot be achieved by individual efforts.

Pursuit of Excellence

We shall pursue excellence in our professional skill, perpetually. By so doing, we shall perform better each time.

APITCO'S REGIONAL & PROJECT OFFICES

TELANGANA & ANDHRA PRADESH

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602-A, D. No. 20-3-1
Naidu Building, 2nd Floor
Chittoor - 517 001
Ph. : +91-8572-233751

R.K. Complex, 2nd Floor,
Beside Mamatha Theatre,
Karimnagar - 500 001
Ph: +91-878-2234272

41-9-19, 1st Floor,
Sai Sadan Buildings,
Ramalayam Street, Krishnalanka,
Vijayawada - 520 014
Ph: 0866-2522822

D. No. 50-716-9,
Birla Compound,
Kurnool - 518 001
Ph: 08518 - 229090

25-16-116,
Chuttigunta Centre,
Sai Villa Complex, Near SBI
Guntur - 522 004
Ph: 0863 - 222659

5-9-50,
Opp. DIG Building,
Kanteshwar Road,
Yellammagunta,
Nizamabad - 503 001
Ph: 08462 - 233045

D.No. 1-2237 (MIG-23A) Upstairs,
Housing Board Colony, R.S. Road
Beside Narayana E/M School,
Kadapa - 516 002

8th Floor, Parisrama Bhavan
Bashreerbagh
Hyderabad - 500 004
Ph : 040 - 2323 7333

NEW DELHI

A-147, Shivalik, 1st Floor,
Malviya Nagar,
New Delhi - 110 017
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OTHER STATES

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KARNATAKA

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